Canada

REPORT OF THE DRIE CAPITAL INVESTMENT INTENTIONS SURVEY CONDUCTED IN APRIL 1985

Government of Canada
Regional Industrial Expansion

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REPORT OF THE

DRIE CAPITAL INVESTMENT

INTENTIONS SURVEY

CONDUCTED IN APRIL 1985

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Surveys and Analysis
Statistical and Data Base Services
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Mr. A. Skahen, Analyst, Surveys and Analysis Group, will be pleased to answer any questions which may arise from this report.

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TABLE OF CONTENTS

	Page
Preface	i
Executive Summary	ii
Highlights of the April 1985 Survey	1
Regional Perspectives	
Atlantic Region	8
Quebec	9
Ontario	11
Prairie Region	12
British Columbia and Northern Region	15
Tables	
Appendix	

PREFACE

This report is based on the Capital Investment Intentions Survey of the Department of Regional Industrial Expansion (DRIE) covering some 278 large corporations, which was carried out in April and May 1985. The survey does not include smaller firms, nor investments in housing, agriculture or fishing. Direct government outlays are also excluded.

The data provided in this report should be regarded only as the investment intentions of a panel of large firms at a given point in time. Thus, the data do not provide the investment picture for the economy as a whole as the spending plans for these large firms do not necessarily reflect the spending patterns of small businesses. Nevertheless, the data presented here are an indication of those changes in planned outlays which have occurred since the previous survey, and of the factors which have caused those changes. The survey results also provide a breakout of investment intentions at a fairly disaggregated level.

This current survey was taken before the Federal Budget of May 23 and thus does not reflect its impact. In addition, many oil and gas companies noted that their plans did not take into consideration the positive aspects of the "Western Accord".

Since the participating companies are not selected randomly, the overall results of the survey may not be representative of the total economy. It should be noted that all individual company information is kept confidential; neither the names of the corporations nor their individual responses are released.

The purpose of the survey is to provide intelligence on the decision-making process for corporate capital investment and to generate timely material, to be used in conjunction with other data, for departmental policy and planning decisions.

EXECUTIVE SUMMARY

The Capital Investment Intentions Survey of the Department of Regional Industrial Expansion (DRIE) conducted in April and May 1985 covers 278 large corporations and provides a reading on business capital spending for 1985. Highlights from the report are given below.

i) The April 1985 survey indicates that capital spending in 1985 by responding companies may increase by about 18.9 per cent. These same firms indicated in October 1984 that an increase of 12.3 per cent was expected for 1985.

ii) When comparing April returns with those of the survey conducted in October 1984, the levels of investment for 1984 and 1985 represent revisions of -6.3 per cent and -0.8 per cent, respectively.

iii) Increased optimism was expressed by the non-manufacturing sector while spending in the manufacturing sector continues to show strength.

iv) The large firms, on average, in this current survey used a cost adjustment factor of 5.0 per cent in their capital budgets for 1985, down from the 5.8 per cent used in the October 1984 survey.

v) On a regional basis, Ontario, the Prairie region and Quebec record expected increases for 1985. The British Columbia region shows a year-to-year decrease while the Atlantic region registers essentially no change between 1984 and 1985.

vi) The spending of domestic majority-owned firms on new plant and equipment in 1985 is anticipated to advance by about 11.7 per cent compared with an increase of 34.3 per cent for the spending of foreign-owned firms.

vii) Compared to the survey conducted in October 1984, this recent survey shows a 2.5 per cent increase in the level of investment plans for the 1986-1989 period. Companies currently indicate a total of about $91 billion (current dollars) in investment plans for the medium-term.

viii) Private firms show a 24.6 per cent increase in capital spending plans for 1985 compared to a 6.9 per cent advance expected by public companies (i.e. Crown corporations).

ix) A total of about $2.6 billion in capital investments considered but not included by the large companies in their spending plans, nevertheless, was thought to hold potential for the medium-term. Eighteen manufacturing companies reported $1.2 billion (or about 45 per cent) of this amount while the remaining $1.4 billion was reported by 14 non-manufacturing firms. Twenty-eight per cent of the potential medium-term investments under consideration were reported by forest products companies, 25 per cent by mining companies, 14 per cent by oil and gas companies, and 10 per cent by primary metals companies.

x) About 61 per cent of the survey panel reported that they expect their profit levels in 1985 to be higher than in 1984 while about 22 per cent expect a lower profit performance.

xi) Factors mentioned most often as affecting outlays were expected domestic and export sales, anticipated cash flow, rates of return, government policies and future economic conditions in Canada.

xii) During 1985, manufacturing companies in the survey panel expect to operate at 81 per cent capacity, up from 79 per cent in 1984.

xiii) Corporate sales are expected to advance in current dollar terms, by 6.7 per cent in 1985.

HIGHLIGHTS OF THE APRIL 1985 SURVEY

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The Aggregate Picture

The April 1985 survey* provides an indication of planned investment for 1985 based on conditions at the time of the survey. The results indicate that the 1985 investment spending of some of Canada's larger firms has improved somewhat since the fall of 1984.

Last October the firms who responded to our survey expected that their capital spending in 1985 would increase by about 12.3 per cent, in current dollars, over 1984 levels. (Unless otherwise stated dollar amounts and per cent changes are in or based on current dollars.) These same firms now indicate an increase in 1985 of 18.6 per cent.

It should be reiterated that the survey does not cover investments in housing, agriculture, fishing or direct government outlays. As well, the spending patterns of the larger corporations may differ from those of smaller companies and industry sectors not covered by the survey and, as such, the results cannot be applied directly to the total business sector. That is to say, this reported increase for 1985 refers only to those large companies included in the survey panel and, thus, does not reflect the spending pattern of all businesses.

This current survey was taken before the Federal Budget of May 23, 1985, and thus does not reflect its impact. In addition, many oil and gas companies noted that their plans did not take into consideration the positive aspects of the "Western Accord".

It should also be noted that, while the survey was conducted mainly during the month of April 1985, the results presented here include some returns received as late as May 22, 1985.

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* See appendix for details on the nature and coverage of the survey.

The National Accounts recently reported that real business spending on new plant and equipment (excluding housing) advanced by 0.6 per cent in 1984. This follows decreases of 13.0 and 9.1 per cent in 1983 and 1982 respectively, and increases of 7.7 per cent and 7.3 per cent for 1981 and 1980. For 1985, real business spending on plant and equipment may advance by 1-3 per cent.

The companies surveyed indicated that their level of spending on new plant and equipment in 1985 would be about $27.9 billion in current dollars, an increase of about $4.4 billion over 1984. Decreases by oil and gas pipelines and food and beverage companies were more than offset by the year-to-year increases reported by transportation equipment companies, oil and gas companies, forest products, chemicals, and trade, finance and other commercial companies (Tables 1 and 2).

Outlook for Manufacturing

Capital spending by reporting manufacturing corporations on new plant and equipment for 1985 is expected to be about $6.6 billion in current dollars, a 40 per cent advance from the 1984 level of spending. This increase reflects, to a large extent, the spending intentions of the transportation equipment, forest products, other manufacturing and chemicals companies.

Primary metals companies also record an increase for 1985. Food and beverage companies, however, indicate weak investment intentions (Tables 1 and 2). During 1985, the manufacturing companies in the survey panel expect to operate at 81 per cent capacity, up from 79 per cent in 1984. Corporate sales of the manufacturing companies are expected to increase by 10 per cent in 1985.

Outlook for Non-Manufacturing

The spending plans of respondents in the non-manufacturing sector for 1985 are expected to be $21.3 billion in current dollars, an increase of

13.4 per cent from the 1984 spending level. Areas of strength include trade, finance and other commercial, oil and gas companies, mining and electric utilities. Transportation and storage and communications also show advances. Spending plans for 1985 of oil and gas pipelines show an anticipated decrease (Tables 1 and 2). Corporate sales of the non-manufacturing companies are anticipated to increase by about 5.0 per cent in 1985.

Cost of Capital Goods

The average cost adjustment factor or inflation rate used by the survey firms in their capital budgets for 1985 was 5.0 per cent over the cost level for 1984; this represents a decrease from the 5.8 per cent used for 1985 in the October 1984 Survey (Table 7).

On an industry basis, it may be noted that chemicals, transportation equipment and other manufacturing companies are expecting larger cost increases in the 1986-1989 period than the manufacturing sector as a whole. Within the non-manufacturing sector, mining and trade, finance and other commercial companies expect the larger cost increases.

Public Compared to Private Capital Spending

Capital spending in the public (government) segment of the panel (i.e. Crown corporations) is expected to increase by 6.9 per cent in 1985, while the private sector expects an increase of 24.6 per cent (Table 11). The public portion represents 29 per cent of total capital spending for 1985 (Table 10).

For 1984, the public and private sectors indicated downward revisions in the level of spending reported earlier: 9.4 per cent and 4.7 per cent respectively. For 1985, the public sector indicated a 1.0 per cent (or $78 million) downward revision between surveys while the private sector recorded a 0.8 per cent decrease (or $142 million).

On a regional basis, the government or public portion of total capital investments in 1985 ranges from 21 per cent in the British Columbia region to 44 per cent in Quebec (Table 10). Within the public sector, Ontario, Quebec and the Prairie region expect to record increases in 1985; in the British Columbia and Atlantic regions spending is expected to decline by some 28 per cent and 9 per cent, respectively (Table 11). For 1984, the reported levels of investment were reduced from earlier estimates in all regions but Ontario. For 1985, the expected levels of spending in Quebec and the British Columbia region have been lowered from that reported in the October 1984 survey.

For private sector investment in 1985, Ontario and the Prairie region expect to experience large year-to-year increases while Quebec, the Atlantic and British Columbia regions also anticipate advances over 1984 levels. For 1984, the reported levels of spending for the Prairies, the British Columbia region, Quebec and Ontario were reduced from those reported earlier. For 1985, Quebec, the British Columbia region and Ontario reported levels of spending below those recorded in October 1984 (Table 11).

Foreign versus Domestic Companies

Foreign majority-owned firms plan an increase of 34.3 per cent in their capital spending for 1985 compared with an advance of 11.7 per cent for domestic majority-owned firms (Table 9). Domestic majority-owned firms represent about 64 per cent of total capital spending reported for 1985 by the survey panel, with foreign majority-owned firms accounting for the remainder (Table 8). The proportion of investment associated with domestic majority-owned firms ranges from a high of 81 per cent in Quebec to 52 per cent in the Prairie region.

Spending intentions on plant and equipment, for 1985, by domestic majority-owned firms have been reduced by 1.5 per cent ($269 million) since the October 1984 survey. Revisions to investment intentions, for 1985, by foreign majority-owned firms in the survey panel showed a increase of 0.4 per cent or $49 million (Table 9).

Within the domestic sector, the Ontario, Quebec and Prairie regions show year-to-year advances for 1985 while the British Columbia and Atlantic regions expect declines. For foreign sector spending in 1985, Ontario and the Prairie region show large increases with the Atlantic and British Columbia regions and Quebec also registering advances.

On a regional basis, downward revisions from earlier estimates are prevalent for 1984 for domestic majority-owned firms investing in the Prairies, the British Columbia region and Quebec. For 1985, downward changes in spending intentions were noted for the British Columbia region, Quebec and Ontario. Foreign majority-owned firms reported reduced levels of spending in all regions for 1984. For 1985, spending reductions were noted for the Quebec and British Columbia region.

Tentative Medium-Term Investments

A total of $2.6 billion in capital investments not included by the large corporations in their spending plans, nevertheless had potential over the medium-term. Regionally, firms with headquarters in Ontario represented about $0.9 billion or 37 per cent of the total while British Columbia and Northern-based firms accounted for $0.8 billion or 33 per cent of the total potential investments (Table 14).

Twenty-eight per cent of the $2.6 billion under consideration was reported by forest products companies, 25 per cent by mining companies, 14 per cent by oil and gas companies, and 10 per cent by primary metals companies.

Factors Affecting Outlays

In the April 1985 survey expected sales in Canada was the factor mentioned most often as affecting current and future plans (Table 15). Expected cash flow continues to be a major concern, with government policies, rates of return, expected economic conditions in Canada and expected sales abroad in close contention. Cost of funds (interest rates) was less of a concern in this April 1985 survey while exchange rates were more of a concern.

Reasons for and Types of Changes in Investment

An upward revision in spending for 1985 was reported by about 45 per cent of firms, while 42 per cent reported downward revisions and 13 per cent indicated no change from the October 1984 survey.

Domestic and foreign market demand, internal (cash flow) financial considerations and excess capacity as well as better estimates were identified as the major factors causing firms to revise their 1985 spending plans downward. Firms which reported upward revisions indicated that better estimates, domestic and foreign market demand, rates of return, capacity requirements and carry-overs were some of the factors contributing to their budget decisions. For further details see Tables 18-27.

Purpose of Investment

Of the total corporations in the survey panel, 237, or about 85 per cent, reported the breakdown of their capital spending by purpose for 1984 and 1985. Categories generally fall into two basic groups: those which add directly to production facilities, and those which do not. The latter group includes research and development, pollution abatement and working environment; the former group includes expansion of facilities at existing sites, upgrading and replacement, and new facilities at new sites.

The largest portion of capital spending continues to be directed toward expansion of existing facilities. Upgrading and replacement will take an increased share in 1985 while expenditures directed toward new facilities at new sites show a proportionate decrease for 1985. The portion directed toward research and development, at 1.3 per cent in 1985, records a drop from the 1.5 per cent indicated for 1984. Funds allocated to pollution abatement, at 1.7 per cent in 1985, show an increase from 1984. For further details, see Tables 28, 29 and 30.

Medium-Term Investment

A comparison of the results of the current survey with that of October 1984 shows that investment plans for the 1986-1989 period in Canada as a whole have experienced a 2.5 per cent increase ($2.2 billion). This adjustment is attributable in large part to the non-manufacturing sector which accounted for a $1.4 billion increase while the manufacturing sector reports an advance of $0.8 billion. All companies currently indicate a total of about $91 billion (current dollars) in investment plans for the medium-term (1986-1989). Decreased spending intentions for the medium-term reported by communications, food and beverages and oil and gas companies were more than offset by increased levels of spending reported by electric utilities, oil and gas pipelines, and forest products companies.

On a regional basis, the British Columbia and Atlantic regions and Ontario show downward between-survey revisions for the 1986-1989 period, while the Prairie region and Quebec indicate increased spending intentions. See Tables 12, 13, 16 and 17 for further details.

Regional Distribution of Business Investment

Spending patterns reported in the survey reflect developments in the various regions in broad terms only and, therefore, should be interpreted with some caution.

For 1985, compared to 1984, a larger proportion of capital expenditures on new production facilities was designated to Ontario and the Prairie region. From 1986 on the proportional share of investment directed to the Atlantic and Prairie regions is increasing while that to Ontario and Quebec is declining.

The regional per cent distribution of total business capital investment over the medium-term, reported by the firms surveyed in April 1985, is presented in the following table:

Regions	1984	1985	1986	1987	1988	1989
Atlantic	6.9	6.3	6.0	7.1	8.3	8.5
Quebec	17.5	16.7	14.8	14.6	14.6	14.4
Ontario	27.1	28.5	27.2	25.9	24.0	23.1
Prairies	29.6	33.0	36.4	37.9	37.5	38.2
B.C. & Northern	12.9	9.9	8.9	9.0	10.4	10.2
Unallocated*	6.0	5.6	6.7	5.5	5.2	5.6

Regional Perspectives

Atlantic Region (Tables 31-34)

Total spending on plant and equipment in 1985 in the Atlantic region by companies in the survey panel is expected to be about $2.0 billion. (As noted earlier, dollar levels and per cent changes are based on current dollars.) This represents a slight increase of 0.1 per cent from the level reported for 1984 (Table 31). Compared with the October 1984 survey returns, these levels of investment represent revisions of -1.2 per cent for 1984 and -5.0 per cent for 1985.

Investment spending in 1985 by the manufacturing sector is expected to decline by close to 16 per cent to a level of $189 million. Within this sector the chemicals and food and beverages companies register percentage increases for 1985 while primary metals, transportation equipment, other manufacturing and forest products report declines.

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* Includes investment which was not specifically allocated to a particular region because it had not yet been determined in which region it would take place; and expenditures on movable machinery and equipment, i.e. rail rolling stock, ships, etc.

For the non-manufacturing sector in the Atlantic region, capital spending for 1985 is expected to reach $1 851 million, up 2.1 per cent from 1984. Mining, communication and trade, finance and other commercial companies are expected to increase their spending in 1985. Declines for 1985 are reported by oil and gas companies and utilities.

Crown corporations, which account for 41 per cent of total capital spending in the Atlantic region for 1985 (Table 10), have revised their 1985 spending plans upward by 4.0 per cent, while the private sector recorded a 5.6 per cent increase in investment plans for 1985 since the last survey. For 1984, Crown corporations recorded a downward revision of 3.1 per cent in their levels of spending from October 1984 levels, while private firms reported a 0.4 per cent upward revision. Year-over-year investment changes for 1985 for the Crown corporations and private firms amounted to -9.4 per cent and 7.8 per cent respectively (Table 33).

Foreign majority-owned firms expect to increase spending on new plant and equipment in the Atlantic provinces by 13.8 per cent in 1985; while domestic majority-owned firms expect spending to drop by 4.9 per cent from 1984 levels. Domestic majority-owned firms show an upward revision of 3.4 per cent from the previous survey in the level of spending in 1985, due to revised spending by the non-manufacturing firms. Similarly, foreign majority-owned firms show an increase (8.6 per cent) in intended outlays for 1985, again due to the actions of the non-manufacturing component (Table 32).

Quebec (Tables 35-38)

The April 1985 survey shows that the large corporations investing in new plant and equipment in Quebec now expect to spend $4.4 billion in 1985, an increase of 13 per cent from the 1984 level ($3.9 billion). The levels of spending for 1984 and 1985 represent revisions of -11.6 per cent and -8.7 per cent respectively, from October 1984 (Table 35).

Capital spending by the manufacturing sector in Quebec is expected to reach about $1.3 billion in 1985, 7.8 per cent higher than the 1984 level.

All broad industry groupings, with the exception of primary metals, recorded advances for 1985 with the transportation equipment, chemicals and forest products sectors showing the strongest year-over-year increases.

The 15.4 per cent increase in spending plans for 1985 in the Quebec non-manufacturing sector is slightly higher than the national average of 13.4 per cent. The larger year-to-year percentage increases for 1985 are in oil and gas companies, utilities and transportation and storage. Mining, communications and trade, finance and other commercial also indicate increases while oil and gas pipelines record a reduction in spending plans. It should be noted that the non-manufacturing sector in Quebec is heavily influenced by the investment of Crown corporations.

Crown (public) corporations, which account for 44 per cent of total capital spending in Quebec reported for 1985 (Table 10), are expecting to increase spending in 1985 by 17.3 per cent; private sector spending is expected to advance by 9.8 per cent. The level of spending for 1985 reported by public companies has decreased (6.3 per cent) since the October 1984 survey, while the current level reported by private companies is 10.6 per cent lower than the October 1984 projection.

Companies with headquarters in Quebec are generally more optimistic for 1986 than they are for 1985. This is true with respect to Canadian sales and profits. Not much improvement of Canadian business conditions is expected in 1986 (Table 38).

In April 1985, companies with headquarters in Quebec considered about $0.2 billion in investments, which were not included in their reported spending plans but which, nevertheless, were thought to hold potential for introduction over the medium-term (Table 14). Expected sales, rates of return, cash flow, expected economic conditions and federal government policies were the factors most frequently mentioned as affecting the spending plans of these companies (Table 15).

Ontario (Tables 39-42)

Corporations with plant and equipment investments in Ontario reported in the April 1985 survey that they now expect 1985's level of spending to reach $8.3 billion, an increase of 28.8 per cent or $1.9 billion from the 1984 level (Table 39).

Investment spending in 1985 by the manufacturing sector in Ontario is expected to reach about $3.3 billion, an increase of 67.4 per cent from the 1984 level. The primary metals, transportation equipment and forest products sectors are recording the larger year-to-year advances. Chemicals and miscellaneous manufacturing also record increased expected spending. Food and beverage companies recorded a decrease in the level of investment for 1985 over 1984 levels.

The 12.1 per cent increase in spending for 1985 by the non-manufacturing sector in Ontario is slightly lower than the national average of 13.4 per cent for this sector. Mining companies anticipate decreased spending in 1985; in contrast, trade, finance and other commercial, utilities, oil and gas companies and transportation and storage companies expect to increase spending.

Private sector spending for 1985 is expected to advance by about 36 per cent compared to a 14 per cent year-to-year increase in the public segment (Table 41). Private sector spending on plant and equipment accounts for 71 per cent of total investment in Ontario for 1985 (Table 10). Revisions in investment intentions for 1985 from the October 1984 survey by the public segment of the survey panel are reflected in an increase of 1.2 per cent (about $30 million), and in a decrease of $35 million (0.6 per cent) for the private portion of the panel.

Foreign majority-owned firms show a 52.6 per cent increase in spending in Ontario for 1985, while domestic majority-owned firms indicate a 20 per cent advance (Table 40). Also for 1985, the foreign sector records

about a 4.3 per cent, or $110 million upward revision from the October 1984 survey, while in the domestic majority-owned segment the spending plans show a 2.0 per cent decrease ($115 million).

Companies with headquarters in Ontario are more optimistic about corporate employment, profits and sales for 1986 than they were for 1985 (Table 42). They indicate some deterioration in the climate for investment outside Canada.

Capital investments of $0.9 billion were not included in the capital spending plans of the Ontario-based corporations but were thought to hold potential for introduction over the next few years (Table 14). About 83 per cent of this considered investment was reported by non-manufacturing firms, in particular mining and trade, finance and other commercial companies. The considered investments by manufacturing firms are centered in other manufacturing.

In April 1985 expected sales in Canada, cash flow and government policies were the factors most often cited by companies with headquarters in Ontario as having a negative impact on spending plans (Table 15). Economic conditions in Canada, rates of return, exchange rates and export sales were also concerns.

Prairie Region (Tables 43-50)

Total capital spending in the Prairies in 1985 is expected to be about $8.9 billion (an increase of some 3.0 per cent or $258 million from that expected in the October survey), reflecting an increase of 27 per cent from the 1984 level (Table 43). For 1985, spending in Alberta is expected to advance by 23.9 per cent, in Saskatchewan by 25.6 per cent and by 42.9 per cent in Manitoba. About three-quarters of investment for the Prairies has been allocated to Alberta and, as such, it dominates the Prairie picture.

Manufacturing spending in the Prairies is expected to advance by about 19 per cent in 1985 due mainly to increased spending by miscellaneous

manufacturing, forest products and chemicals companies (Table 43). Spending by manufacturing firms in Manitoba and Saskatchewan is expected to advance by 24 and 21 per cent respectively in 1985, while a 12 per cent increase is anticipated in Alberta.

Total non-manufacturing spending in the Prairies, at $8.5 billion for 1985, represents an advance of 27.4 per cent over the 1984 level. This is significantly more than the 13.4 per cent increase expected for non-manufacturing in Canada as a whole (Table 43). Non-manufacturing spending in Saskatchewan is expected to advance by 25.8 per cent in 1985 while in Manitoba a 45.4 per cent increase is anticipated. The increase in Saskatchewan is due mainly to the planned spending by oil and gas companies, utilities and transportation and storage companies. Decreased spending by transportation and storage companies in Manitoba is more than offset by the increased spending noted in mining, utilities and communications.

Private sector spending in 1985 is expected to advance by 26.7 per cent, compared to a 27.7 per cent advance for the public segment. Since October 1984 the public or government sector has increased its expected level of spending for 1985 by some 3.0 per cent, which is contrary to the Canadian average decline of 1.0 per cent. Private sector spending levels for 1985 show a 2.9 per cent increase from October's expectations (again, opposite to the Canada average experience of a 0.8 per cent decrease) (Table 47).

Domestic majority-owned firms expect an increase in 1985 spending in the Prairies of about 14 per cent over the 1984 level, while spending by foreign majority-owned firms will advance by 45 per cent (Table 46). Spending for 1985 by domestic firms has been revised upward by 4.0 per cent while that of foreign firms has increased 1.8 per cent.

Companies with headquarters in the Prairies are more optimistic for 1986 than for 1985 with respect to corporate employment, profits and sales, both export and domestic (Table 50).

Capital investments of about $0.5 billion were not included in the capital spending plans of the Prairie-based companies, but were thought to hold potential for introduction over the medium-term (Table 14). About three-quarters of this considered investment was reported by the oil and gas companies; a significant portion of the remainder was associated with mining.

In April 1985, as has been the case in October 1984 and April 1984, the dominant factor affecting capital spending plans was federal government policies (Table 15). Other Canadian government policies, cash flow, rates of return and expected sales and economic conditions, both in Canada and abroad, are continuing concerns.

Alberta

Total capital spending in Alberta in 1985 is expected to reach approximately $6.5 billion, a 23.9 per cent increase over the allocation of $5.2 billion in 1984. For both years, the levels of investment were lower than anticipated in the October 1984 survey: 8.7 per cent for 1984 and 1.6 per cent for 1985 (Table 45).

At $248 million, manufacturing spending shows an advance of some 12 per cent from 1984 levels. Forest products, miscellaneous manufacturing and chemicals companies record year-over-year increases for 1985, which more than offset declines expected by food and beverages, and primary metal companies.

Spending by the non-manufacturing segment in Alberta is expected to amount to about $6.2 billion in 1985, 24.4 per cent above 1984 outlays. Oil and gas companies, as well as mining, utilities and trade, finance and other commercial companies, recorded increased spending for 1985. In contrast, oil and gas pipelines, transportation and storage and communication companies reported declines.

Splitting the overall investment into domestic and foreign-owned segments, the former group anticipates an investment increase of 4.4 per cent

in 1985 while the latter expects a 46.6 per cent advance (Table 48). The proportion of investment for 1985 is about equally split between these two segments: 52 per cent is accounted for by domestic majority-owned firms, the remaining 48 per cent by foreign firms (Table 8).

Private sector spending in Alberta is expected to advance by about 24.7 per cent in 1985, while government or Crown corporation spending is increasing by 18.6 per cent (Table 49).

Companies with headquarters in Alberta indicate more optimism for prospects in 1986 than in 1985, specifically, domestic and export sales, corporate employment and profits (Table 50).

A total of about $378 million in capital investments which was thought to hold potential for the medium-term but was not included in their spending plans was reported by Alberta-based companies: most of this was reported by oil and gas companies; however, portions were associated with both chemicals and oil and gas pipelines.

Federal government policies, other Canadian government policies, cash flow, and expected sales and economic conditions were the factors mentioned most often as affecting both current and expected capital outlays on plant, machinery and equipment.

British Columbia and Northern Region (Tables 51-54)

Spending for 1985 in the British Columbia and Northern region (Yukon and Northwest Territories) is expected to reach about $2.8 billion, some 4.1 per cent below the 1984 level ($2.9 billion) and 7.6 per cent or $228 million less than the October 1984 estimates (Table 51).

Investment in the manufacturing sector in this region is expected to reach $636 million in 1985, 15.7 per cent above the figure reported for 1984. This reflects the increased spending plans of forest products and other manufacturing companies.

Expected 1985 spending of $2.2 billion by non-manufacturing firms in the British Columbia and Northern region represents a drop of 8.8 per cent from 1984 levels in contrast to the national average increase of 13.4 per cent. Spending plans of oil and gas companies, electric utilities, and trade, finance and other commercial companies account for this decrease. Oil and gas pipelines, transportation and storage and mining companies expect to increase their level of spending in 1985.

Spending for 1985 by the private segment on new plant and equipment is expected to increase by 5.1 per cent (Table 53). Public sector spending for 1985 has reported a decrease of 28.1 per cent. Since October 1984 the private sector has decreased its expected level of spending for 1985 by 8.7 per cent while the public segment recorded a 3.1 per cent decline.

Foreign majority-owned firms investing in the British Columbia and Northern region are expected to increase spending by 1.3 per cent in 1985, while a 7.1 per cent drop is expected by domestic majority-owned firms. The year-to-year decrease for 1985 reported by the domestic segment is in contrast to the advance expected for Canada as a whole, while the advance in the foreign segment is much less than the advance for all of Canada (Table 52).

Companies with headquarters in the British Columbia and Northern region show more optimism for 1986 than they did for 1985, especially with respect to profits, exports and Canadian business conditions (Table 54).

The British Columbia and Northern-based firms reported $0.8 billion of capital investments which were not included in their reported budgets but were being considered for implementation over the next few years (Table 14). More than 80 per cent of this amount was concentrated in manufacturing (primary metals and forest products). The remainder was reported by oil and gas pipelines and transportation and storage companies.

Cash flow was the factor mentioned most often by the firms in this region as affecting spending plans (Table 15). Expected export sales, rates of return and exchange rates were also concerns.

TABLES

TABLE 1

CAPITAL EXPENDITURES* OF SELECTED LARGE COMPANIES FOR 1984 AND PLANS FOR 1985 — CANADA

(Current $ Millions)

Industry	1984		1985	
	Reported in Oct. 1984	Reported in April 1985	Reported in Oct. 1984	Reported in April 1985
Food & Beverages	592.9	565.0	596.7	551.6
Forest Products	1 098.1	1 073.1	1 499.9	1 555.6
Primary Metals	939.3	966.3	1 374.6	1 117.4
Chemicals	356.4	329.6	472.1	453.6
Transportation Equip.	599.8	555.2	1 329.9	1 272.4
Other Manufacturing	1 301.0	1 215.0	1 493.3	1 662.8
Total Manufacturing	4 887.5	4 704.2	6 766.5	6 613.4
Mining Companies	1 237.6	1 253.7	1 393.2	1 382.9
Oil & Gas Companies	6 314.4	5 923.7	7 241.4	7 418.8
Oil & Gas Pipelines	1 479.2	1 353.3	1 277.6	1 332.7
Transp. & Storage	2 011.6	1 830.4	2 046.9	1 936.6
Communications	2 510.2	2 433.7	2 793.5	2 551.9
Electric Utilities	5 564.2	4 985.6	5 347.1	5 424.0
Trade, Finance and Other Commercial	1 047.4	1 007.4	1 288.2	1 274.7
Total Non-Manufacturing	20 164.6	18 787.8	21 387.9	21 321.6
TOTAL	25 052.1	23 492.0	28 154.4	27 935.0

* Only the 278 firms which reported for the October 1984 and the April 1985 surveys for the years 1984 and 1985 are included in this table.

TABLE 2

CAPITAL EXPENDITURES* OF SELECTED LARGE COMPANIES FOR 1984 AND PLANS FOR 1985 — CANADA

(Current $ Millions)

Industry	Revisions Between April 1985 & October 1984 Surveys (Per Cent Change) 1984	1985	1985/1984 Year-to-Year Per Cent Change Reported in October 1984	Reported in April 1985
Food & Beverages	-4.8	-7.6	0.6	-2.4
Forest Products	-2.3	3.7	36.5	44.9
Primary Metals	2.8	-18.8	46.3	15.6
Chemicals	-7.6	-4.0	32.4	37.6
Transportation Equip.	-7.5	-4.4	121.7	129.1
Other Manufacturing	-6.7	11.3	14.7	36.8
Total Manufacturing	**-3.8**	**-2.3**	**38.4**	**40.5**
Mining Companies	1.3	-0.8	12.5	10.3
Oil & Gas Companies	-6.2	2.4	14.6	25.2
Oil & Gas Pipelines	-8.6	4.3	-13.7	-1.6
Transportation & Storage	-9.1	-5.4	1.7	5.8
Communications	-3.1	-8.7	11.2	4.8
Electric Utilities	-10.4	1.4	-4.0	8.7
Trade, Finance and Other Commercial	-3.9	-1.1	22.9	26.5
Total Non-Manufacturing	**-6.9**	**-0.4**	**6.0**	**13.4**
TOTAL	**-6.3**	**-0.8**	**12.3**	**18.9**

* Only the 278 firms which reported for the October 1984 and April 1985 surveys for the years 1984 and 1985 are included in this table.

TABLE 3

CAPITAL EXPENDITURES* OF SELECTED LARGE COMPANIES FOR 1984 AND PLANS FOR 1985 -- CANADA

(Constant 1984 $ Millions)

	1984		1985	
	Reported in Oct. 1984	Reported in April 1985	Reported in Oct. 1984	Reported in April 1985
Industry				
Food & Beverages	592.9	565.0	566.8	525.0
Forest Products	1 098.1	1 073.1	1 415.2	1 477.1
Primary Metals	939.3	966.3	1 302.7	1 072.1
Chemicals	356.4	329.6	444.4	426.9
Transportation Equip.	599.8	555.2	1 258.9	1 209.1
Other Manufacturing	1 301.0	1 215.0	1 399.7	1 576.2
Total Manufacturing	4 887.5	4 704.2	6 387.7	6 286.4
Mining Companies	1 237.6	1 253.7	1 315.1	1 309.2
Oil & Gas Companies	6 314.4	5 923.7	6 838.3	7 047.8
Oil & Gas Pipelines	1 479.2	1 353.3	1 201.7	1 271.3
Transp. & Storage	2 011.6	1 830.4	1 944.8	1 832.5
Communications	2 510.2	2 433.7	2 678.6	2 456.2
Electric Utilities	5 564.2	4 985.6	5 016.4	5 159.8
Trade, Finance and Other Commercial	1 047.4	1 007.4	1 230.0	1 215.3
Total Non-Manufacturing	20 164.6	18 787.8	20 224.9	20 292.1
TOTAL	25 052.1	23 492.0	26 612.6	26 578.5

* Only the 278 firms which reported for the October 1984 and April 1985 surveys for the years 1984 and 1985 are included in this table.

TABLE 4

CAPITAL EXPENDITURES* OF SELECTED LARGE COMPANIES FOR 1984 AND PLANS FOR 1985 — CANADA

(Constant 1984 $ Millions)

	Revisions Between April 1985 & October 1984 Surveys (Per Cent Change)		1985/1984 Year-to-Year Per Cent Change	
	1984	1985	Reported in October 1984	Reported in April 1985
Industry				
Food & Beverages	-4.8	-7.4	-4.5	-7.1
Forest Products	-2.3	4.3	28.8	37.6
Primary Metals	2.8	-17.8	38.6	10.9
Chemicals	-7.6	-4.0	24.6	29.5
Transportation Equip.	-7.5	-4.0	109.8	117.7
Other Manufacturing	-6.7	12.6	7.5	29.7
Total Manufacturing	-3.8	-1.6	30.6	33.6
Mining Companies	1.3	-0.5	6.2	4.4
Oil & Gas Companies	-6.2	3.0	8.2	18.9
Oil & Gas Pipelines	-8.6	5.7	-18.8	-6.1
Transp. & Storage	-9.1	-5.8	-3.4	0.1
Communications	-3.1	-8.4	6.7	0.9
Electric Utilities	-10.4	2.8	-9.9	3.4
Trade, Finance and Other Commercial	-3.9	-1.2	17.4	20.6
Total Non-Manufacturing	-6.9	0.3	0.2	8.0
TOTAL	-6.3	-0.2	6.2	13.1

* Only the 278 firms which reported for the October 1984 and April 1985 surveys for the years 1984 and 1985 are included in this table.

TABLE 5

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

(Current $ Millions)

	No. of Companies	1984 Reported in Oct. 1984	1984 Reported in Apr. 1985	1985 Reported in Oct. 1984	1985 Reported in Apr. 1985
Province					
Newfoundland	31	610.7	633.9	620.8	623.1
Prince Edward Island	12	12.9	11.9	18.2	16.4
Nova Scotia	43	918.2	895.7	830.4	935.1
New Brunswick	33	398.2	406.7	305.2	308.6
Atlantic Region	79	2 061.3	2 037.7	1 943.1	2 040.4
Quebec	135	4 369.4	3 863.5	4 782.7	4 367.8
Ontario	178	6 441.3	6 448.6	8 315.7	8 310.7
Manitoba	61	581.7	504.4	586.7	721.0
Saskatchewan	70	1 166.9	1 051.2	1 203.1	1 320.4
Alberta	108	5 725.1	5 229.4	6 584.2	6 481.1
Prairie Region	147	7 702.2	7 014.4	8 650.0	8 908.4
British Columbia	114	2 367.2	2 185.6	2 474.6	2 227.4
Yukon	7	8.6	7.9	8.9	8.6
Northwest Territories	20	655.3	696.5	525.1	549.2
B.C. and Northern Region	118	3 084.0	2 911.9	3 020.2	2 792.7
CANADA	278	25 052.1	23 492.0	28 154.4	27 935.0

Note: The above table incorporates matched data for each province and/or region. This system of matching is applied separately for each province. Hence, provinces do not add to regional totals and regional totals do not necessarily add to matched Canada totals. See Appendix point (1) for an explanation of "matching".

TABLE 5.1

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE MANUFACTURING COMPANIES

(Current $ Millions)

	No. of Companies	1984 Reported in Oct. 1984	1984 Reported in Apr. 1985	1985 Reported in Oct. 1984	1985 Reported in Apr. 1985
Province					
Newfoundland	9	20.5	18.7	48.1	45.9
Prince Edward Island	3	*	*	*	*
Nova Scotia	18	96.1	110.9	81.7	73.3
New Brunswick	13	74.9	87.7	60.4	54.3
Atlantic Region	34	200.6	224.8	197.9	189.2
Quebec	88	1 266.2	1 233.1	1 589.4	1 329.7
Ontario	112	2 040.6	1 954.1	3 216.3	3 271.6
Manitoba	27	70.6	60.4	80.3	75.0
Saskatchewan	20	47.6	44.0	60.7	53.3
Alberta	46	242.4	221.5	241.1	248.0
Prairie Region	65	376.5	340.5	414.9	405.7
British Columbia	52	554.2	513.2	754.6	612.8
Yukon	1	*	*	*	*
Northwest Territories	2	*	*	*	*
B.C. and Northern Region	53	575.8	549.4	781.2	636.2
CANADA	152	4 887.5	4 704.2	6 766.5	6 613.4

Note: The above table incorporates matched data for each province and/or region. This system of matching is applied separately for each province. Hence, provinces do not add to regional totals and regional totals do not necessarily add to matched Canada totals. See Appendix point (1) for an explanation of "matching".

* Information has been suppressed in order to prevent the possibility of identifying an individual firm's investment.

TABLE 5.2

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE NON-MANUFACTURING COMPANIES

(Current $ Millions)

	No. of Companies	1984 Reported in Oct. 1984	1984 Reported in Apr. 1985	1985 Reported in Oct. 1984	1985 Reported in Apr. 1985
Province					
Newfoundland	22	590.2	615.2	572.7	577.2
Prince Edward Island	9	11.8	10.8	17.2	15.7
Nova Scotia	25	822.1	784.8	748.7	861.8
New Brunswick	20	323.3	319.0	244.8	254.3
Atlantic Region	45	1 860.7	1 812.9	1 745.2	1 851.2
Quebec	47	3 103.2	2 630.4	3 193.3	3 038.1
Ontario	66	4 400.7	4 494.5	5 099.4	5 039.1
Manitoba	34	511.1	444.0	506.4	646.0
Saskatchewan	50	1 119.3	1 007.2	1 142.4	1 267.1
Alberta	62	5 482.7	5 007.9	6 343.1	6 233.1
Prairie Region	82	7 325.7	6 673.9	8 235.1	8 502.7
British Columbia	62	1 813.0	1 672.4	1 720.0	1 614.6
Yukon	6	8.5	7.8	8.8	8.5
Northwest Territories	18	635.3	662.8	501.9	528.6
B.C. and Northern Region	65	2 508.2	2 362.5	2 239.0	2 156.5
CANADA	126	20 164.6	18 787.8	21 387.9	21 321.6

Note: The above table incorporates matched data for each province and/or region. This system of matching is applied separately for each province. Hence, provinces do not add to regional totals and regional totals do not necessarily add to matched Canada totals. See Appendix point (1) for an explanation of "matching".

TABLE 6

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

(Per Cent Change)

Province	Year-to-Year Per Cent Change 1985/1984	Between-Survey Revisions 1984	%	1985
Newfoundland	-1.8	3.7		0.3
Prince Edward Island	37.8	-7.8		-9.9
Nova Scotia	4.3	-2.5		12.6
New Brunswick	-24.2	2.1		1.1
Atlantic Region	0.1	-1.2		5.0
Quebec	13.0	-11.6		-8.7
Ontario	28.8	0.1		-0.1
Manitoba	42.9	-13.3		22.8
Saskatchewan	25.6	-10.0		9.7
Alberta	23.9	-8.7		-1.6
Prairie Region	27.0	-9.0		2.9
British Columbia	1.9	-7.7		-10.0
Yukon	8.8	-8.2		-3.4
Northwest Territories	-21.2	6.2		4.5
B.C. & Northern Region	-4.1	-5.6		-7.6
CANADA	18.9	-6.3		-0.8

Note: Actual 1984 and revised intentions 1985.

TABLE 6.1

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE MANUFACTURING COMPANIES

(Per Cent Change)

Province	Year-to-Year Per Cent Change 1985/1984	Between-Survey Revisions 1984	%	1985
Newfoundland	145.4	-8.8		-4.6
Prince Edward Island	*	*		*
Nova Scotia	-34.0	15.4		-10.3
New Brunswick	-38.1	17.0		-10.1
Atlantic Region	-15.9	12.0		-4.4
Quebec	7.8	-2.7		-16.4
Ontario	67.4	-4.3		1.7
Manitoba	24.1	-14.5		-6.7
Saskatchewan	21.1	-7.6		-12.2
Alberta	11.9	-8.7		2.8
Prairie Region	19.1	-9.6		-2.3
British Columbia	19.4	-7.4		-18.8
Yukon	*	*		*
Northwest Territories	*	*		*
B.C. & Northern Region	15.7	-4.6		-18.6
CANADA	40.5	-3.8		-2.3

Note: Actual 1984 and revised intentions 1985.

* Information has been suppressed in order to prevent the possibility of identifying an individual firm's investment.

TABLE 6.2

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE NON-MANUFACTURING COMPANIES

(Per Cent Change)

Province	Year-to-Year Per Cent Change 1985/1984	Between-Survey Revisions 1984	Between-Survey Revisions 1985
Newfoundland	-6.2	4.2	0.7
Prince Edward Island	45.3	-8.5	-8.8
Nova Scotia	9.8	-4.6	15.1
New Brunswick	-20.3	-1.4	3.8
Atlantic Region	2.1	-2.6	6.0
Quebec	15.4	-15.3	-4.9
Ontario	12.1	2.1	-1.2
Manitoba	45.4	-13.2	27.5
Saskatchewan	25.8	-10.1	10.9
Alberta	24.4	-8.7	-1.8
Prairie Region	27.4	-8.9	3.2
British Columbia	-3.5	-7.8	-6.2
Yukon	8.9	-8.3	-3.5
Northwest Territories	-20.3	4.3	5.3
B.C. & Northern Region	-8.8	-5.9	-3.7
CANADA	13.4	-6.9	-0.4

Note: Actual 1984 and revised intentions 1985.

TABLE 7

COST ADJUSTMENT FACTORS 1984-1989

Industry	1984	1985	1986	1987	1988	1989
Food & Beverages	100.0	105.0	110.4	116.1	121.8	128.5
Forest Products	100.0	105.3	109.9	115.4	123.7	129.9
Primary Metals	100.0	104.2	108.7	113.9	120.1	126.9
Chemicals	100.0	106.2	113.0	120.5	127.1	134.4
Transportation Equipment	100.0	105.2	111.4	118.0	125.1	132.2
Other Manufacturing	100.0	105.5	111.2	117.4	124.0	131.7
Total Manufacturing	100.0	105.2	110.4	116.2	123.2	129.9
Mining Companies	100.0	105.6	112.3	119.0	124.9	133.3
Oil & Gas Companies	100.0	105.2	110.9	116.7	123.5	131.0
Oil & Gas Pipelines	100.0	104.8	110.3	116.9	123.9	130.1
Transportation & Storage	100.0	105.6	110.7	116.4	123.0	129.2
Communications	100.0	103.8	108.4	113.1	118.4	124.2
Electric Utilities	100.0	105.1	110.6	117.2	124.9	133.0
Trade, Finance & Other Commercial	100.0	104.9	111.3	117.0	124.0	130.5
Total Non-Manufacturing	100.0	105.0	110.5	116.4	123.1	130.4
TOTAL	100.0	105.0	110.5	116.3	123.2	130.3

TABLE 8

DISTRIBUTION OF CAPITAL INVESTMENT BY DOMESTIC AND FOREIGN FIRMS WITHIN REGIONS

	Domestic		Foreign	
	1984	1985	1984	1985
	(%)		(%)	
Atlantic	73	70	27	30
Quebec	79	81	21	19
Ontario	73	68	27	32
Prairies	59	52	41	48
Alberta	54	45	46	55
B.C. & Northern	64	62	36	38
CANADA	68	64	32	36

TABLE 9

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

	Year-to-Year Per Cent Change	Between-Survey Revisions	
	1985/1984	1984 %	1985
Domestic Majority-Owned			
Atlantic	-4.9	-0.1	3.4
Quebec	15.6	-13.1	-6.4
Ontario	20.0	2.2	-2.0
Prairies	13.9	-9.8	4.0
Alberta	4.4	-7.6	-2.1
B.C. & Northern	-7.1	-6.6	-7.8
CANADA	11.7	-6.0	-1.5
Foreign Majority-Owned			
Atlantic	13.8	-4.0	8.6
Quebec	3.1	-5.7	-17.3
Ontario	52.6	-5.3	4.3
Prairies	45.4	-7.8	1.8
Alberta	46.6	-9.9	-1.2
B.C. & Northern	1.3	-3.8	-7.3
CANADA	34.3	-6.8	0.4

Note: Actual 1984 and revised intentions 1985.
See Table 9.A for the dollar levels for 1984 and 1985.

TABLE 9.A

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES 1984-1985

(Current $ Millions)

DOMESTIC-OWNED COMPANIES/FOREIGN-OWNED COMPANIES

ALL INDUSTRIES

DOMESTIC	1984	1985
Atlantic	1 497.6	1 425.4
Quebec	3 050.9	3 529.5
Ontario	4 706.7	5 652.3
Prairies	4 103.5	4 675.1
Alberta	2 815.5	2 942.0
B.C. & Northern	1 878.1	1 744.9
CANADA	16 041.6	17 922.6
FOREIGN		
Atlantic	540.1	615.0
Quebec	812.6	838.3
Ontario	1 741.9	2 658.4
Prairies	2 910.9	4 233.3
Alberta	2 413.9	3 539.1
B.C. & Northern	1 033.8	1 047.8
CANADA	7 450.4	10 012.4

Note: (1) Actual 1984 and revised intentions 1985.

(2) The above table incorporates matched data for each region. This system of matching is applied separately for each region. Hence, regions do not add to matched Canada totals. See Appendix point (1) for an explanation of "matching".

TABLE 10

DISTRIBUTION OF CAPITAL INVESTMENT BY PUBLIC AND PRIVATE FIRMS WITHIN REGIONS

	Public			Private		
	1984	%	1985	1984	%	1985
Atlantic	45		41	55		59
Quebec	43		44	57		56
Ontario	33		29	67		71
Prairies	23		23	77		77
Alberta	14		14	86		86
B.C. & Northern	28		21	72		79
CANADA	33		29	67		71

TABLE 11

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

	Year-to-Year Per Cent Change	Between-Survey Revisions		
	1985/1984	1984	%	1985
Public Majority-Owned				
Atlantic	-9.4	-3.1		4.0
Quebec	17.3	-20.5		-6.3
Ontario	14.0	1.1		1.2
Prairies	27.7	-14.2		3.2
Alberta	18.6	-13.2		-14.2
B.C. & Northern	-28.1	-7.8		-3.1
CANADA	6.9	-9.4		-1.0
Private Majority-Owned				
Atlantic	7.8	0.4		5.6
Quebec	9.8	-3.6		-10.6
Ontario	36.2	-0.5		-0.6
Prairies	26.7	-7.3		2.9
Alberta	24.7	-7.9		0.7
B.C. & Northern	5.1	-4.8		-8.7
CANADA	24.6	-4.7		-0.8

Note: Actual 1984 and revised intentions 1985.
See Table 11.A for the dollar levels for 1984 and 1985.

TABLE 11.A

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES 1984-1985

(Current $ Millions)

PUBLIC COMPANIES/PRIVATE COMPANIES

ALL INDUSTRIES

PUBLIC	1984	1985
Atlantic	915.6	830.1
Quebec	1 647.5	1 933.9
Ontario	2 140.5	2 441.2
Prairies	1 609.3	2 055.2
Alberta	737.2	875.0
B.C. & Northern	808.9	581.8
CANADA	7 636.6	8 164.5
PRIVATE		
Atlantic	1 122.1	1 210.3
Quebec	2 216.0	2 433.9
Ontario	4 308.1	5 869.5
Prairies	5 405.1	6 853.2
Alberta	4 492.2	5 606.1
B.C. & Northern	2 103.0	2 210.9
CANADA	15 855.4	19 770.5

Note: (1) Actual 1984 and revised intentions 1985.

(2) The above table incorporates matched data for each region. This system of matching is applied separately for each region. Hence, regions do not add to matched Canada totals. See Appendix point (1) for an explanation of "matching".

TABLE 12

CAPITAL INVESTMENT INTENTIONS OF SELECTED LARGE COMPANIES 1984-1989

(Current $ Millions)

SURVEY/REGION	1984	1985	1986	1987	1988	1989	TOTAL
April 1985*							
Atlantic (52)	1 296.0	1 377.3	1 370.0	1 606.7	1 884.7	1 950.1	9 484.8
Quebec (92)	3 300.5	3 659.6	3 375.8	3 285.1	3 326.4	3 314.0	20 261.4
Ontario (125)	5 121.3	6 262.9	6 227.3	5 835.9	5 468.5	5 319.0	34 234.9
Prairies (96)	5 596.9	7 249.3	8 327.8	8 555.8	8 533.8	8 798.4	47 062.0
Alberta (65)	4 036.2	5 140.2	5 912.6	6 176.6	6 045.1	6 188.9	33 499.6
B.C. & Northern (78)	2 438.8	2 177.1	2 037.6	2 028.9	2 357.2	2 346.3	13 385.9
CANADA (205)	18 890.1	21 969.3	22 894.3	22 567.4	22 783.7	23 027.9	132 132.7
October 1984**							
Atlantic (52)	1 375.6	1 354.9	1 383.4	1 788.9	1 946.3	1 863.3	9 712.4
Quebec (92)	3 790.5	3 801.1	3 306.5	2 610.9	2 657.7	2 724.8	18 891.5
Ontario (125)	5 260.5	6 270.8	5 975.2	5 703.6	5 574.9	5 635.9	34 420.9
Prairies (96)	6 172.1	7 017.1	8 103.4	8 265.6	8 492.0	8 613.2	46 663.4
Alberta (65)	4 450.4	5 260.0	6 208.8	6 183.3	6 115.4	6 109.1	34 327.0
B.C. & Northern (78)	2 559.4	2 362.0	2 285.8	2 383.3	2 644.4	2 447.7	14 682.6
CANADA (205)	20 370.8	21 971.1	22 224.7	21 909.8	22 485.3	22 420.3	131 382.0

Note: * Actual 1984 and revised intentions 1985-1989.

** Preliminary actual 1984 and intentions 1985-1989.

Only those firms which reported for the October 1984 and April 1985 surveys for the years 1984-1989 (each and every year) are included in this table, i.e. a matched panel. The number of reporting companies is provided in brackets. See Appendix point (1) for explanation of "matching".

TABLE 13

CAPITAL INVESTMENT INTENTIONS OF SELECTED LARGE COMPANIES

(Per Cent Change)

Between-Survey Revisions

	1984-1985	1986-1989	1984-1989
Atlantic	-2.1	-2.4	-2.3
Quebec	-8.3	17.7	7.3
Ontario	-1.3	-0.2	-0.5
Prairies	-2.6	2.2	0.9
Alberta	-5.5	-1.2	-2.4
B.C. & Northern	-6.2	-10.2	-8.8
CANADA	-3.5	2.5	0.6

TABLE 14

CONSIDERED INVESTMENT

(Per Cent Distribution)

Companies with H.Q. in:	Manufacturing	Non-Manufacturing	Total
Atlantic	4.2	0.5	4.8
Quebec	6.3	0.0	6.3
Ontario	6.2	30.7	36.9
Prairies	0.8	17.9	18.7
Alberta	0.8	14.0	14.7
B.C. & Northern	27.6	5.4	33.0
All Companies (32 of 279)	45.3	54.7	100.0 ($2 567.1)

Note: The number of reporting companies is provided in brackets.

Percentages may not add due to rounding.

TABLE 15

FACTORS REPORTED AS AFFECTING CURRENT AND CONSIDERED INVESTMENT SPENDING

(Frequency of Response)

FACTOR/REGION OF H.Q.	ATLANTIC		QUEBEC		ONTARIO		ALTA		PRAIRIES		B.C. & NORTHERN		TOTAL	
	084	A85	084	A85	084	A85	084	A85	084	A85	084	A85	084	A85
Cdn. Fed. Gov't Policies	3	2	5	7	43	34	21	21	24	23	5	7	80	73
Other Cdn. Gov't Policies	2	2	4	1	16	19	12	18	14	21	3	0	39	43
Foreign Gov't Policies	-	0	-	0	9	9	1	2	3	3	2	2	14	14
Exchange Rates	2	1	3	5	18	25	4	2	5	4	4	8	32	43
Non-Tariff Barriers Canada	-	0	-	0	-	0	1	1	1	1	-	0	1	1
Cdn. Tariffs Too High	1	1	1	2	2	2	-	0	-	0	1	0	5	5
Cdn. Tariffs Too Low	-	0	1	0	3	5	-	0	-	0	-	0	4	5
Barriers Abroad	-	0	-	0	4	1	-	0	1	1	-	1	5	3
Other Trading Factors	-	0	1	2	5	4	1	2	1	2	-	1	7	9
Expected Cash Flow	5	4	12	7	44	37	12	13	13	17	13	13	87	78
Rates of Return	2	3	8	9	28	30	6	9	9	12	9	10	56	64
Other Internal Fin. Cond.	2	2	1	2	5	2	1	1	2	2	1	2	11	10
Cost of Funds	2	3	5	4	22	18	7	5	7	6	8	7	44	38
Availability of Funds	3	2	6	4	6	8	1	4	1	4	1	4	17	22
Other External Fin. Cond.	-	1	1	1	2	3	1	1	2	3	3	2	8	10
Other Fin. & Mon. Factors	-	1	1	1	3	2	1	1	2	1	-	0	6	5
Raw Material Shortages	-	0	2	0	5	0	2	1	2	2	2	0	11	2
Mach. & Equip. Shortages	-	0	-	0	-	0	-	0	-	0	1	0	1	0
Manpower Shortages	-	0	-	0	1	0	1	0	1	0	-	0	2	0
Labour Problems	-	0	-	0	4	4	2	1	2	1	2	2	8	7
Expected Sales in Canada	2	2	11	13	45	48	13	10	18	15	6	5	82	83
Expected Sales Abroad	1	0	7	8	28	22	10	10	14	15	8	11	58	56
Exp. Econ. Cond. in Canada	3	3	8	7	33	32	9	10	11	14	7	5	62	61
Exp. Econ. Cond. Abroad	1	0	4	2	9	16	6	10	7	12	8	9	29	39
Other Factors	-	0	2	2	6	6	4	2	5	3	2	2	15	13
Sample Size	14	14	42	41	143	138	36	35	55	53	32	32	287	278

084 = Oct. 1984 Survey

A85 = April 1985 Survey

TABLE 16

CAPITAL EXPENDITURES* OF SELECTED LARGE COMPANIES 1984-1989 AS REPORTED IN CURRENT DOLLARS FOR THE APRIL 1985 SURVEY

(1984 = 100.0)

Industry	Base Value	1984	1985	1986	1987	1988	1989
Food & Beverages	413.5	100.0	86.6	63.8	60.6	59.7	60.8
Forest Products	805.5	100.0	145.4	155.3	116.4	133.8	127.6
Primary Metals	701.0	100.0	129.6	154.8	108.4	66.8	84.2
Chemicals	136.6	100.0	180.4	207.5	216.0	188.7	154.5
Transportation Equip.	270.8	100.0	147.5	116.0	126.0	130.8	110.2
Other Manufacturing	704.4	100.0	121.9	130.3	114.9	116.9	116.4
Total Manufacturing	3 031.8	100.0	130.0	135.7	111.9	106.5	105.5
Mining Companies	501.4	100.0	127.0	111.4	76.4	67.2	67.9
Oil & Gas Companies	5 207.7	100.0	126.7	135.6	134.7	144.3	153.1
Oil & Gas Pipelines	1 170.6	100.0	97.6	108.1	136.1	136.5	125.0
Transp. & Storage	1 386.0	100.0	93.1	114.1	110.1	111.1	112.6
Communications	2 332.8	100.0	103.9	105.9	106.1	108.4	110.3
Electric Utilities	4 564.4	100.0	112.4	108.7	118.9	116.3	113.8
Trade, Finance and Other Commercial	695.4	100.0	115.8	126.8	108.3	104.8	104.6
Total Non-Manufacturing	15 858.3	100.0	113.7	118.4	120.9	123.3	125.0
TOTAL	18 890.1	100.0	116.3	121.2	119.5	120.6	121.9

* Only the 205 firms which reported for the October 1984 and the April 1985 surveys for the years 1984-1989 (each and every year) are included in this table.

TABLE 17

CAPITAL EXPENDITURES* OF SELECTED LARGE COMPANIES 1984-1989 AS REPORTED IN CURRENT DOLLARS FOR THE OCTOBER 1984 SURVEY

(1984 = 100.0)

Industry	Base Value	1984	1985	1986	1987	1988	1989
Food & Beverages	445.8	100.0	84.6	63.1	60.4	57.6	56.5
Forest Products	804.7	100.0	135.5	120.6	111.2	129.8	122.9
Primary Metals	716.3	100.0	144.4	123.1	84.6	75.1	112.6
Chemicals	152.6	100.0	171.2	190.7	174.0	154.3	121.5
Transportation Equip.	303.7	100.0	119.8	106.1	120.1	122.3	90.8
Other Manufacturing	762.4	100.0	105.5	105.4	94.9	94.3	101.6
Total Manufacturing	3 185.5	100.0	123.4	111.5	98.1	99.4	103.1
Mining Companies	538.7	100.0	111.7	78.3	62.6	61.9	67.2
Oil & Gas Companies	5 599.6	100.0	114.8	128.6	130.7	136.1	137.7
Oil & Gas Pipelines	1 286.3	100.0	84.0	88.9	113.6	113.7	98.8
Transp. & Storage	1 531.9	100.0	89.4	98.9	100.4	104.6	103.6
Communications	2 405.8	100.0	111.6	114.9	121.6	125.4	126.4
Electric Utilities	5 124.4	100.0	99.0	94.6	85.0	86.7	84.9
Trade, Finance and Other Commercial	698.6	100.0	115.2	111.9	121.8	120.5	117.1
Total Non-Manufacturing	17 185.3	100.0	105.0	108.7	109.3	112.4	111.4
TOTAL	20 370.8	100.0	107.9	109.1	107.6	110.4	110.1

* Only the 205 firms which reported for the October 1984 and April 1985 surveys for the years 1984-1989 (each and every year) are included in this table.

TABLE 18

TYPES OF CHANGES IN PLANS

(Per Cent Distribution of Responses)

Types of Changes	1984	1985	1986-1989
Abandoned Plans	3.5	3.2	2.8
Deferred Plans	21.1	14.4	7.6
Reduced Existing Plans	23.0	16.1	10.8
Expanded Existing Plans	6.3	15.6	14.2
Introduced New Plans	4.7	13.8	13.2
Brought Forward Plans from Future Years	1.9	4.0	3.8
Re-introduced Deferred Plans	0.9	4.0	5.2
No Change in Plans	38.2	28.2	42.4
Not Specified	0.3	0.6	-
TOTAL	100.0	100.0	100.0
Number of Responses	317	347	288
Number of Companies	240	237	219

Note: Totals may not add due to rounding.

TABLE 19

REASONS FOR CHANGES IN PLANS

1984

(Per Cent Distribution of Total Responses)

Reasons for Changes	Upward Revision	Downward Revision	No Change	Total
Market Demand - Domestic	3.2	12.5	-	15.7
Market Demand - Foreign	1.0	4.2	0.2	5.4
Capacity	2.7	2.7	-	5.4
Rate of Return	1.7	2.2	-	3.9
Financing - External	0.5	2.5	0.5	3.5
Financing - Internal	0.2	4.2	0.5	4.9
Costs - Labour	0.2	1.0	-	1.2
Costs - Other	0.2	1.5	-	1.7
Strikes	-	2.0	-	2.0
Government Regulations	0.2	1.5	-	1.7
Better Estimates	8.4	16.0	0.5	24.9
Carry-overs	1.5	9.3	-	10.8
Other Reasons	2.2	4.9	1.0	8.1
Not Specified	2.0	2.5	6.4	10.9
TOTAL	24.1	66.8	9.1	100.0
Number of Responses	98	272	37	407
Number of Companies	63	148	29	240

Note: Totals may not add due to rounding.

TABLE 20

REASONS FOR CHANGES IN PLANS

1985

(Per Cent Distribution of Total Responses)

Reasons for Changes	Upward Revision	Downward Revision	No Change	Total
Market Demand - Domestic	8.8	10.3	1.0	20.1
Market Demand - Foreign	1.7	5.0	-	6.7
Capacity	2.5	2.7	0.4	5.6
Rate of Return	3.1	1.7	0.2	5.0
Financing - External	0.6	1.7	-	2.3
Financing - Internal	1.7	5.0	-	6.7
Costs - Labour	0.2	0.8	-	1.0
Costs - Other	1.5	1.3	-	2.8
Strikes	0.8	-	-	0.8
Government Regulations	1.0	1.5	0.2	2.7
Better Estimates	10.7	8.2	0.6	19.5
Carry-overs	5.9	3.1	0.4	9.4
Other Reasons	5.2	4.2	0.8	10.2
Not Specified	1.5	0.8	4.8	7.1
TOTAL	45.2	46.2	8.6	100.0
Number of Responses	216	221	41	478
Number of Companies	107	100	30	237

Note: Totals may not add due to rounding.

TABLE 21

REASONS FOR CHANGES IN PLANS

1986 - 1989

(Per Cent Distribution of Total Responses)

Reasons for Changes	Upward Revision	Downward Revision	No Change	Total
Market Demand - Domestic	9.3	6.4	0.5	16.2
Market Demand - Foreign	4.2	1.1	0.3	5.6
Capacity	4.8	1.9	-	6.7
Rate of Return	3.2	2.1	-	5.3
Financing - External	0.3	1.1	0.3	1.7
Financing - Internal	2.7	2.9	0.3	5.9
Costs - Labour	1.1	0.3	-	1.4
Costs - Other	1.1	1.3	-	2.4
Strikes	-	-	-	-
Government Regulations	1.3	1.3	0.3	2.9
Better Estimates	11.7	8.5	-	20.2
Carry-overs	4.5	1.1	-	5.6
Other Reasons	5.3	2.9	0.3	8.5
Not Specified	1.9	1.9	14.3	18.1
TOTAL	51.2	32.6	16.2	100.0
Number of Responses	193	123	61	377
Number of Companies	98	62	59	219

Note: Totals may not add due to rounding.

TABLE 22

TYPES AND REASONS FOR DOWNWARD REVISIONS IN CAPITAL SPENDING — CANADA

1984

(Per Cent Distribution of Total Responses)

Reasons for Change	TYPES OF CHANGES									
	Abandoned	Deferred	Reduced	Expanded	New Plans	Brought Forward	Re-introduced Deferred Plans	No Change	Not Specified	Total
Market Demand - Domestic	2.2	8.1	6.6	-	-	-	-	1.8	-	18.8
Market Demand - Foreign	0.7	2.2	2.6	-	-	-	-	0.4	0.4	6.3
Capacity	0.7	2.2	0.7	0.4	-	-	-	-	-	4.0
Rate of Return	0.7	1.1	1.1	-	0.4	-	-	-	-	3.3
Financing - External	-	2.6	0.7	-	-	-	-	0.4	-	3.7
Financing - Internal	-	3.3	1.8	-	0.4	-	-	0.7	-	6.3
Costs - Labour	-	-	0.4	-	0.4	-	-	0.7	-	1.5
Costs - Other	0.4	-	0.4	-	-	-	-	1.5	-	2.2
Strikes	0.4	1.1	1.5	-	-	-	-	-	-	2.9
Government Regulations	-	1.5	0.7	-	-	-	-	-	-	2.2
Better Estimates	0.4	1.5	7.7	0.4	-	-	-	14.0	-	23.9
Carry-overs	-	4.4	8.1	0.4	-	-	-	1.1	-	14.0
Other Reasons	0.4	2.2	2.2	0.7	-	-	-	1.8	-	7.4
Not Specified	-	0.4	0.4	-	-	-	-	2.9	-	3.7
TOTAL	5.9	30.5	34.9	1.8	1.1	0.0	0.0	25.4	0.4	100.0

Number of Responses 272

Number of Companies 148

Note: Totals may not add due to rounding.

TABLE 23

TYPES AND REASONS FOR UPWARD REVISIONS IN CAPITAL SPENDING — CANADA

1984

(Per Cent Distribution of Total Responses)

	TYPES OF CHANGES									
Reasons for Changes	Abandoned	Deferred	Reduced	Expanded	New Plans	Brought Forward	Re-introduced Deferred Plans	No Change	Not Specified	Total
Market Demand - Domestic	-	2.0	-	5.1	5.1	-	1.0	-	-	13.3
Market Demand - Foreign	-	2.0	-	1.0	1.0	-	-	-	-	4.1
Capacity	-	-	-	2.0	4.1	2.0	2.0	1.0	-	11.2
Rate of Return	-	2.0	-	3.1	1.0	-	1.0	-	-	7.1
Financing - External	-	-	-	-	1.0	-	-	1.0	-	2.0
Financing - Internal	-	-	-	-	-	1.0	-	-	-	1.0
Costs - Labour	-	-	-	-	1.0	-	-	-	-	1.0
Costs - Other	-	-	-	-	1.0	-	-	-	-	1.0
Strikes	-	-	-	-	-	-	-	-	-	0.0
Government Regulations	-	-	-	-	1.0	-	-	-	-	1.0
Better Estimates	-	-	2.0	4.1	1.0	1.0	-	26.5	-	34.7
Carry-overs	-	-	-	1.0	-	2.0	-	3.1	-	6.1
Other Reasons	-	-	1.0	3.1	2.0	-	1.0	2.0	-	9.2
Not Specified	-	-	-	3.1	-	-	-	5.1	-	8.2
TOTAL	0.0	6.1	3.1	22.4	18.4	6.1	5.1	38.8	0.0	100.0

Number of Responses 98

Number of Companies 63

Note: Totals may not add due to rounding.

TABLE 24

TYPES AND REASONS FOR DOWNWARD REVISIONS IN CAPITAL SPENDING — CANADA

1985

(Per Cent Distribution of Total Reponses)

	TYPES OF CHANGES									
Reasons for Changes	Abandoned	Deferred	Reduced	Expanded	New Plans	Brought Forward	Re-introduced Deferred Plans	No Change	Not Specified	Total
Market Demand - Domestic	2.7	8.1	7.7	0.5	0.5	0.5	0.5	1.4	0.5	22.2
Market Demand - Foreign	0.5	4.5	4.1	0.9	0.5	-	-	0.5	-	10.9
Capacity	0.9	2.3	1.4	-	0.9	-	-	0.5	-	5.9
Rate of Return	0.5	1.8	1.4	-	-	-	-	-	-	3.6
Financing - External	-	2.7	0.9	-	-	-	-	-	-	3.6
Financing - Internal	-	5.4	3.2	-	0.5	0.5	0.5	0.9	-	10.9
Costs - Labour	-	-	0.5	-	0.5	-	-	0.9	-	1.8
Costs - Other	-	-	1.4	-	0.5	-	-	0.9	-	2.7
Strikes	-	-	-	-	-	-	-	-	-	0.0
Government Regulations	-	2.3	0.5	-	0.5	-	-	-	-	3.2
Better Estimates	-	0.9	6.3	0.5	0.5	0.5	-	9.0	-	17.6
Carry-overs	-	0.9	3.2	1.4	-	-	0.5	0.9	-	6.8
Other Reasons	0.9	-	4.5	0.5	0.5	0.9	-	1.4	0.5	9.0
Not Specified	-	0.5	-	-	-	-	-	1.4	-	1.8
TOTAL	5.4	29.4	34.8	3.6	4.5	2.3	1.4	17.6	0.9	100.0

Number of Responses 221

Number of Companies 100

Note: Totals may not add due to rounding.

TABLE 25

TYPES AND REASONS FOR UPWARD REVISIONS IN CAPITAL SPENDING - CANADA

1985

(Per Cent Distribution of Total Responses)

Reasons for Changes	TYPES OF CHANGES									
	Abandoned	Deferred	Reduced	Expanded	New Plans	Brought Forward	Re-introduced Deferred Plans	No Change	Not Specified	Total
Market Demand - Domestic	0.5	1.9	0.5	7.4	7.9	-	1.4	-	-	19.4
Market Demand - Foreign	-	0.5	-	1.4	0.9	0.9	-	-	-	3.7
Capacity	-	0.5	0.5	2.8	1.9	-	-	-	-	5.6
Rate of Return	-	-	-	2.8	3.2	0.9	-	-	-	6.9
Financing - External	-	-	-	-	0.9	-	-	0.5	-	1.4
Financing - Internal	-	0.9	-	0.5	1.9	-	0.5	-	-	3.7
Costs - Labour	-	-	-	-	0.5	-	-	-	-	0.5
Costs - Other	-	-	-	0.9	1.4	0.5	-	0.5	-	3.2
Strikes	-	-	-	0.9	0.5	-	0.5	-	-	1.9
Government Regulations	-	-	-	0.5	0.5	0.5	-	0.9	-	2.3
Better Estimates	-	0.5	-	5.1	2.8	1.4	0.9	13.0	-	23.6
Carry-overs	-	-	0.9	7.4	0.9	0.5	1.9	1.4	-	13.0
Other Reasons	-	0.9	1.4	2.3	3.2	0.9	0.9	1.9	-	11.6
Not Specified	-	-	0.5	0.5	-	-	0.5	1.9	-	3.2
TOTAL	0.5	5.1	3.7	32.4	26.4	5.6	6.5	19.9	0.0	100.0

Number of Responses 216

Number of Companies 107

Note: Totals may not add due to rounding.

TABLE 26

TYPES AND REASONS FOR DOWNWARD REVISIONS IN CAPITAL SPENDING - CANADA

1986 - 1989

(Per Cent Distribution of Total Responses)

	TYPES OF CHANGES									
Reasons for Changes	Abandoned	Deferred	Reduced	Expanded	New Plans	Brought Forward	Re-introduced Deferred Plans	No Change	Not Specified	Total
Market Demand - Domestic	2.4	4.9	8.9	1.6	0.8	-	-	0.8	-	19.5
Market Demand - Foreign	-	0.8	1.6	0.8	-	-	-	-	-	3.3
Capacity	-	2.4	1.6	0.8	0.8	-	-	-	-	5.7
Rate of Return	-	3.3	2.4	-	-	0.8	-	-	-	6.5
Financing - External	-	1.6	1.6	-	-	-	-	-	-	3.3
Financing - Internal	1.6	4.1	1.6	-	-	0.8	-	0.8	-	8.9
Costs - Labour	-	-	0.8	-	-	-	-	-	-	0.8
Costs - Others	-	-	2.4	-	-	-	-	1.6	-	4.1
Strikes	-	-	-	-	-	-	-	-	-	0.0
Government Regulations	-	2.4	0.8	-	0.8	-	-	-	-	4.1
Better Estimates	0.8	1.6	5.7	0.8	1.6	0.8	0.8	13.8	-	26.0
Carry-overs	-	1.6	0.8	-	0.8	-	-	-	-	3.3
Other Reasons	0.8	0.8	3.3	-	-	0.8	-	3.3	-	8.9
Not Specified	0.8	-	0.8	-	-	0.8	-	3.3	-	5.7
TOTAL	6.5	23.6	32.5	4.1	4.9	4.1	0.8	23.6	0.0	100.0

Number of Responses 123

Number of Companies 62

Note: Totals may not add due to rounding.

TABLE 27

TYPES AND REASONS FOR UPWARD REVISIONS IN CAPITAL SPENDING - CANADA

1986 - 1989

(Per Cent Distribution of Total Responses)

	TYPES OF CHANGES									
Reasons for Changes	Abandoned	Deferred	Reduced	Expanded	New Plans	Brought Forward	Re-introduced Deferred Plans	No Change	Not Specified	Total
Market Demand - Domestic	0.5	2.1	-	5.2	6.2	-	3.1	1.0	-	18.1
Market Demand - Foreign	-	1.0	-	2.6	1.6	1.0	2.1	-	-	8.3
Capacity	0.5	-	0.5	3.6	2.6	0.5	1.0	0.5	-	9.3
Rate of Return	-	-	-	3.1	2.1	1.0	-	-	-	6.2
Financing - External	-	-	-	-	-	-	0.5	-	-	0.5
Financing - Internal	-	0.5	-	-	1.0	-	3.1	0.5	-	5.2
Costs - Labour	-	-	-	-	1.6	-	-	0.5	-	2.1
Costs - Other	-	-	-	-	1.6	-	0.5	-	-	2.1
Strikes	-	-	-	-	-	-	-	-	-	0.0
Government Regulations	-	-	-	0.5	1.0	0.5	-	0.5	-	2.6
Better Estimates	-	0.5	0.5	5.7	1.6	0.5	-	14.0	-	22.8
Carry-overs	-	-	1.0	5.7	1.0	0.5	-	0.5	-	8.8
Other Reasons	0.5	-	-	3.6	3.1	0.5	1.0	1.6	-	10.4
Not Specified	-	-	-	0.5	0.5	-	-	2.6	-	3.6
TOTAL	1.6	4.1	2.1	30.6	23.8	4.7	11.4	21.8	0.0	100.0

Number of Responses 193

Number of Companies 98

Note: Totals may not add due to rounding.

TABLE 28

TOTAL CAPITAL EXPENDITURES BY PURPOSE

	Number of Reporting Companies	1984	1985
		($ Millions)	
Research and Development	73	326.9	317.2
Pollution Abatement	66	303.7	420.7
Working Environment	70	151.9	163.2
Expansion of Facilities - Existing Sites	147	7 418.2	8 394.8
Upgrading & Replacement of Existing Facilities	204	4 695.1	5 982.8
Expansion of Facilities - New Sites	78	4 825.9	5 080.8
Other	111	3 432.9	4 365.0
TOTAL	237*	21 154.6	24 724.5

Note: Actual 1984 and revised intentions 1985.

* As one company may allocate its investment expenditures to various purpose categories, this number is not the sum of the column.

TABLE 29

TOTAL CAPITAL EXPENDITURES BY PURPOSE

(Per Cent Distribution* of Total)

	Manufacturing		Non-Manufacturing		Total	
	1984	1985	1984	1985	1984	1985
Research and Development	6.4	4.2	0.5	0.5	1.5	1.3
Pollution Abatement	1.9	1.8	1.3	1.7	1.4	1.7
Working Environment	2.4	2.0	0.4	0.3	0.7	0.7
Expansion of Facilities - Existing Sites	27.2	19.8	36.7	37.5	35.1	34.0
Upgrading & Replacement of Existing Facilities	44.9	43.7	17.4	19.2	22.2	24.2
Expansion of Facilities - New Sites	3.9	5.0	26.8	24.5	22.8	20.5
Other	13.3	23.4	16.7	16.1	16.2	17.6
TOTAL	100.0	100.0	100.0	100.0	100.0	100.0

* Percentages may not add due to rounding.

TABLE 30

CAPITAL EXPENDITURES BY PURPOSE

1985/1984

(Year-to-Year Per Cent Change in Level of Spending)

	Manufacturing	Non-Manufacturing	Total
Research and Development	-9.2	12.6	-3.0
Pollution Abatement	31.9	40.4	38.5
Working Environment	12.9	-0.5	7.4
Expansion of Facilities - Existing Sites	-0.1	15.2	13.1
Upgrading & Replacement of Existing Facilities	33.2	24.2	27.4
Expansion of Facilities - New Sites	77.6	3.0	5.2
Other	140.6	8.4	27.2
TOTAL	36.9	12.6	16.8

* Year-to-year changes in total investment here are different from those reported in Table 2. This is due to differences in coverage.

TABLE 31

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES - 1984-1985

ATLANTIC REGION

(Current $ Millions)

	1984		1985		Year-to-Year Per Cent Change 1985/1984		Between-Survey Revisions (%) 1984		1985	
Manufacturing	225	(4 704)	189	(6 613)	-15.9	(40.5)	12.0	(-3.8)	-4.4	(-2.3)
Non-Manufacturing	1 813	(18 788)	1 851	(21 322)	2.1	(13.4)	-2.6	(-6.9)	6.0	(-0.4)
TOTAL	2 038	(23 492)	2 040	(27 935)	0.1	(18.9)	-1.2	(-6.3)	5.0	(-0.8)

Note: Actual 1984 and revised intentions 1985.

These are dollar amounts reported for the years 1984-1985 from the April 1985 survey by firms which reported in both the October 1984 and April 1985 surveys.

For comparison purposes, figures for Canada are provided in brackets.

TABLE 32

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

ATLANTIC REGION

	Year-to-Year Per Cent Change	Between-Survey Revisions	
	1985/1984	1984 (%)	1985
Foreign Majority-Owned			
Manufacturing	3.9 (41.3)	19.9 (-5.5)	-7.9 (-0.8)
Non-Manufacturing	15.4 (30.7)	-6.9 (-7.5)	11.5 (1.2)
TOTAL	13.8 (34.3)	-4.0 (-6.8)	8.6 (0.4)
Domestic Majority-Owned			
Manufacturing	-25.5 (39.6)	8.6 (-1.7)	-2.0 (-4.1)
Non-Manufacturing	-2.6 (7.3)	-1.0 (-6.7)	3.9 (-1.0)
TOTAL	-4.9 (11.7)	-0.1 (-6.0)	3.4 (-1.5)

Note: Actual 1984 and revised intentions 1985.

For comparison purposes, figures for Canada are provided in brackets.

TABLE 33

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

ATLANTIC REGION

	Year-to-Year Per Cent Change		Between-Survey Revisions			
	1985/1984		1984	(%)	1985	
Total Government Majority-Owned	-9.4	(6.9)	-3.1	(-9.4)	4.0	(-1.0)
Total Private Majority-Owned	7.8	(24.6)	0.4	(-4.7)	5.6	(-0.8)
Manufacturing	-0.4	(42.2)	15.8	(-3.3)	-4.9	(-2.1)
Non-Manufacturing	9.4	(17.6)	-2.1	(-5.2)	7.7	(-0.1)

Note: Actual 1984 and revised intentions 1985.

For comparison purposes, figures for Canada are provided in brackets.

TABLE 34

EXPECTATIONS FOR 1985 AND 1986
BY COMPANIES WITH HEADQUARTERS IN THE ATLANTIC REGION*

(Per Cent Distribution of Total Responses)

	1985/1984			1986/1985		
	UP/ BETTER	NO CHANGE	DOWN/ WORSE	UP/ BETTER	NO CHANGE	DOWN/ WORSE
Canadian Sales	83.3 (63.4)	16.6 (22.9)	0.0 (13.6)	83.3 (67.0)	16.6 (27.2)	0.0 (5.6)
Export Sales	75.0 (48.9)	12.5 (31.1)	12.5 (19.8)	77.7 (51.9)	22.2 (38.1)	0.0 (9.9)
Profits	83.3 (60.5)	16.6 (17.3)	0.0 (22.0)	75.0 (73.0)	25.0 (20.8)	0.0 (6.0)
Corporate Employment in Canada	25.0 (21.9)	50.0 (51.8)	25.0 (26.1)	25.0 (24.0)	50.0 (62.2)	25.0 (13.7)
Corporate Financial Conditions	63.6 (50.6)	36.3 (38.2)	0.0 (11.0)	45.4 (50.2)	54.5 (45.4)	0.0 (4.3)
Canadian Business Conditions	70.0 (53.2)	30.0 (41.9)	0.0 (4.8)	66.6 (49.0)	33.3 (47.2)	0.0 (3.6)
Foreign Investment Climate	20.0 (31.8)	80.0 (64.3)	0.0 (3.7)	33.3 (29.6)	66.6 (65.6)	0.0 (4.6)

Note: For comparison purposes, figures for Canada are provided in brackets.

* There are 14 firms in the survey panel with headquarters in the Atlantic region.

TABLE 35

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES - 1984-1985

QUEBEC REGION

(Current $ Millions)

	1984		1985		Year-to-Year Per Cent Change 1985/1984		Between-Survey Revisions 1984 (%)		1985	
Manufacturing	1 233	(4 704)	1 330	(6 613)	7.8	(40.5)	-2.7	(-3.8)	-16.4	(-2.3)
Non-Manufacturing	2 631	(18 788)	3 038	(21 322)	15.4	(13.4)	-15.3	(-6.9)	-4.9	(-0.4)
TOTAL	3 864	(23 492)	4 368	(27 935)	13.0	(18.9)	-11.6	(-6.3)	-8.7	(-0.8)

Note: Actual 1984 and revised intentions 1985.

These are dollar amounts reported for the years 1984-1985 from the April 1985 survey by firms which reported in both the October 1984 and April 1985 surveys.

For comparison purposes, figures for Canada are provided in brackets.

TABLE 36

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

QUEBEC REGION

	Year-to-Year Per Cent Change		Between-Survey Revisions			
	1985/1984		1984	(%)	1985	
Foreign Majority-Owned						
Manufacturing	-8.2	(41.3)	-4.0	(-5.5)	-20.0	(-0.8)
Non-Manufacturing	47.2	(30.7)	-11.9	(-7.5)	-9.7	(1.2)
TOTAL	3.1	(34.3)	-5.7	(-6.8)	-17.3	(0.4)
Domestic Majority-Owned						
Manufacturing	25.4	(39.6)	-1.2	(-1.7)	-13.2	(-4.1)
Non-Manufacturing	13.3	(7.3)	-15.5	(-6.7)	-4.5	(-1.0)
TOTAL	15.6	(11.7)	-13.1	(-6.0)	-6.4	(-1.5)

Note: Actual 1984 and revised intentions 1985.

For comparison purposes, figures for Canada are provided in brackets.

TABLE 37

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

QUEBEC REGION

	Year-to-Year Per Cent Change		Between-Survey Revisions			
	1985/1984		1984	(%)	1985	
Total Government Majority-Owned	17.3	(6.9)	-20.5	(-9.4)	-6.3	(-1.0)
Total Private Majority-Owned	9.8	(24.6)	-3.6	(-4.7)	-10.6	(-0.8)
Manufacturing	8.3	(42.2)	-1.3	(-3.3)	-15.8	(-2.1)
Non-Manufacturing	11.4	(17.6)	-6.1	(-5.2)	-4.3	(-0.1)

Note: Actual 1984 and revised intentions 1985.

For comparison purposes, figures for Canada are provided in brackets.

TABLE 38

EXPECTATIONS FOR 1985 AND 1986
BY COMPANIES WITH HEADQUARTERS IN THE QUEBEC REGION*

(Per Cent Distribution of Total Responses)

	1985/1984			1986/1985		
	UP/ BETTER	NO CHANGE	DOWN/ WORSE	UP/ BETTER	NO CHANGE	DOWN/ WORSE
Canadian Sales	50.0 (63.4)	41.1 (22.9)	8.8 (13.6)	54.5 (67.0)	39.3 (27.2)	6.0 (5.6)
Export Sales	60.0 (48.9)	12.0 (31.1)	28.0 (19.8)	48.0 (51.9)	36.0 (38.1)	16.0 (9.9)
Profits	50.0 (60.5)	26.4 (17.3)	23.5 (22.0)	59.3 (73.0)	34.3 (20.8)	6.2 (6.0)
Corporate Employment in Canada	11.7 (21.9)	64.7 (51.8)	23.5 (26.1)	12.5 (24.0)	71.8 (62.2)	15.6 (13.7)
Corporate Financial Conditions	46.8 (50.6)	40.6 (38.2)	12.5 (11.0)	33.3 (50.2)	63.3 (45.4)	3.3 (4.3)
Canadian Business Conditions	41.9 (53.2)	48.3 (41.9)	9.6 (4.8)	41.3 (49.0)	48.2 (47.2)	10.3 (3.6)
Foreign Investment Climate	30.0 (31.8)	65.0 (64.3)	5.0 (3.7)	22.2 (29.6)	72.2 (65.6)	5.5 (4.6)

Note: For comparison purposes, figures for Canada are provided in brackets.

* There are 41 firms in the survey panel with headquarters in the Quebec region.

TABLE 39

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES - 1984-1985

ONTARIO REGION

(Current $ Millions)

	1984		1985		Year-to-Year Per Cent Change 1985/1984		Between-Survey Revisions 1984 (%)		1985	
Manufacturing	1 954	(4 704)	3 272	(6 613)	67.4	(40.5)	-4.3	(-3.8)	1.7	(-2.3)
Non-Manufacturing	4 495	(18 788)	5 039	(21 322)	12.1	(13.4)	2.1	(-6.9)	-1.2	(-0.4)
TOTAL	6 449	(23 492)	8 311	(27 935)	28.8	(18.9)	0.1	(-6.3)	-0.1	(-0.8)

Note: Actual 1984 and revised intentions 1985.

These are dollar amounts reported for the years 1984-1985 from the April 1985 survey by firms which reported in both the October 1984 and April 1985 surveys.

For comparison purposes, figures for Canada are provided in brackets.

TABLE 40

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

ONTARIO

	Year-to-Year Per Cent Change	Between-Survey Revisions	
	1985/1984	1984 (%)	1985
Foreign Majority-Owned			
Manufacturing	65.6 (41.3)	-4.5 (-5.5)	4.7 (-0.8)
Non-Manufacturing	18.3 (30.7)	-7.4 (-7.5)	2.6 (1.2)
TOTAL	52.6 (34.3)	-5.3 (-6.8)	4.3 (0.4)
Domestic Majority-Owned			
Manufacturing	70.6 (39.6)	-3.8 (-1.7)	-3.3 (-4.1)
Non-Manufacturing	11.3 (7.3)	3.3 (-6.7)	-1.7 (-1.0)
TOTAL	20.0 (11.7)	2.2 (-6.0)	-2.0 (-1.5)

Note: Actual 1984 and revised intentions 1985.

For comparison purposes, figures for Canada are provided in brackets.

TABLE 41

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

ONTARIO REGION

	Year-to-Year Per Cent Change		Between-Survey Revisions			
	1985/1984		1984	(%)	1985	
Total Government Majority-Owned	14.0	(6.9)	1.1	(-9.4)	1.2	(-1.0)
Total Private Majority-Owned	36.2	(24.6)	-0.5	(-4.7)	-0.6	(-0.8)
Manufacturing	67.1	(42.2)	-3.9	(-3.3)	1.5	(-2.1)
Non-Manufacturing	11.2	(17.6)	2.5	(-5.2)	-3.0	(-0.1)

Note: Actual 1984 and revised intentions 1985.

For comparison purposes, figures for Canada are provided in brackets.

TABLE 42

EXPECTATIONS FOR 1985 AND 1986
BY COMPANIES WITH HEADQUARTERS IN THE ONTARIO REGION*

(Per Cent Distribution of Total Responses)

	1985/1984			1986/1985		
	UP/ BETTER	NO CHANGE	DOWN/ WORSE	UP/ BETTER	NO CHANGE	DOWN/ WORSE
Canadian Sales	69.3 (63.4)	16.1 (22.9)	14.5 (13.6)	74.1 (67.0)	18.5 (27.2)	7.2 (5.6)
Export Sales	47.0 (48.9)	34.0 (31.1)	19.0 (19.8)	50.5 (51.9)	38.3 (38.1)	11.1 (9.9)
Profits	66.3 (60.5)	13.1 (17.3)	20.4 (22.0)	76.8 (73.0)	14.0 (20.8)	9.0 (6.0)
Corporate Employment in Canada	25.0 (21.9)	47.5 (51.8)	27.4 (26.1)	26.0 (24.0)	59.3 (62.2)	14.6 (13.7)
Corporate Financial Conditions	53.6 (50.6)	35.7 (38.2)	10.5 (11.0)	52.0 (50.2)	42.2 (45.4)	5.6 (4.3)
Canadian Business Conditions	57.5 (53.2)	37.5 (41.9)	5.0 (4.8)	47.5 (49.0)	48.3 (47.2)	4.1 (3.6)
Foreign Investment Climate	33.8 (31.8)	63.3 (64.3)	2.8 (3.7)	32.3 (29.6)	61.9 (65.6)	5.6 (4.6)

Note: For comparison purposes, figures for Canada are provided in brackets.

* There are 138 firms in the survey panel with headquarters in the Ontario region.

TABLE 43

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES - 1984-1985

PRAIRIE REGION

(Current $ Millions)

	1984		1985		Year-to-Year Per Cent Change 1985/1984		Between-Survey Revisions 1984	(%)	1985	
Manufacturing	341	(4 704)	406	(6 613)	19.1	(40.5)	-9.6	(-3.8)	-2.3	(-2.3)
Non-Manufacturing	6 674	(18 788)	8 503	(21 322)	27.4	(13.4)	-8.9	(-6.9)	3.2	(-0.4)
TOTAL	7 015	(23 492)	8 909	(27 935)	27.0	(18.9)	-9.0	(-6.3)	2.9	(-0.8)

Note: Actual 1984 and revised intentions 1985.

These are dollar amounts reported for the years 1984-1985 from the April 1985 survey by firms which reported in both the October 1984 and April 1985 surveys.

For comparison purposes, figures for Canada are provided in brackets.

TABLE 44

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES - 1984-1985

MANITOBA

(Current $ Millions)

	1984		1985		Year-to-Year Per Cent Change 1985/1984		Between-Survey Revisions 1984	(%)	1985	
Manufacturing	60	(4 704)	75	(6 613)	24.1	(40.5)	-14.5	(-3.8)	-6.7	(-2.3)
Non-Manufacturing	444	(18 788)	646	(21 322)	45.4	(13.4)	-13.2	(-6.9)	27.5	(-0.4)
TOTAL	504	(23 492)	721	(27 935)	42.9	(18.9)	-13.3	(-6.3)	22.8	(-0.8)

SASKATCHEWAN

(Current $ Millions)

	1984		1985		Year-to-Year Per Cent Change 1985/1984		Between-Survey Revisions 1984	(%)	1985	
Manufacturing	44	(4 704)	53	(6 613)	21.1	(40.5)	-7.6	(-3.8)	-12.2	(-2.3)
Non-Manufacturing	1 007	(18 788)	1 267	(21 322)	25.8	(13.4)	-10.1	(-6.9)	10.9	(-0.4)
TOTAL	1 051	(23 492)	1 320	(27 935)	25.6	(18.9)	-10.0	(-6.3)	9.7	(-0.8)

Note: Actual 1984 and revised intentions 1985.

These are dollar amounts reported for the years 1984-1985 from the April 1985 survey by firms which reported in both the October 1984 and April 1985 surveys.

For comparison purposes, figures for Canada are provided in brackets.

TABLE 45

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES - 1984-1985

ALBERTA

(Current $ Millions)

	1984		1985		Year-to-Year Per Cent Change 1985/1984		Between-Survey Revisions 1984		(%) 1985	
Manufacturing	222	(4 704)	248	(6 613)	11.9	(40.5)	-8.7	(-3.8)	2.8	(-2.3)
Non-Manufacturing	5 008	(18 788)	6 233	(21 322)	24.4	(13.4)	-8.7	(-6.9)	-1.8	(-0.4)
TOTAL	5 230	(23 492)	6 481	(27 935)	23.9	(18.9)	-8.7	(-6.3)	-1.6	(-0.8)

Note: Actual 1984 and revised intentions 1985.

These are dollar amounts reported for the years 1984-1985 from the April 1985 survey by firms which reported in both the October 1984 and April 1985 surveys.

For comparison purposes, figures for Canada are provided in brackets.

TABLE 46

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

PRAIRIE REGION

	Year-to-Year Per Cent Change	Between-Survey Revisions	
	1985/1984	1984 (%)	1985
Foreign Majority-Owned			
Manufacturing	15.1 (41.3)	-7.6 (-5.5)	-13.7 (-0.8)
Non-Manufacturing	47.3 (30.7)	-7.8 (-7.5)	2.7 (1.2)
TOTAL	45.4 (34.3)	-7.8 (-6.8)	1.8 (0.4)
Domestic Majority-Owned			
Manufacturing	23.2 (39.6)	-11.6 (-1.7)	11.9 (-4.1)
Non-Manufacturing	13.5 (7.3)	-9.7 (-6.7)	3.7 (-1.0)
TOTAL	13.9 (11.7)	-9.8 (-6.0)	4.0 (-1.5)

Note: Actual 1984 and revised intentions 1985.

For comparison purposes, figures for Canada are provided in brackets.

TABLE 47

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

PRAIRIE REGION

	Year-to-Year Per Cent Change	Between-Survey Revisions	
	1985/1984	1984 (%)	1985
Total Government Majority-Owned	27.7 (6.9)	-14.2 (-9.4)	3.2 (-1.0)
Total Private Majority-Owned	26.7 (24.6)	-7.3 (-4.7)	2.9 (-0.8)
Manufacturing	19.3 (42.2)	-9.9 (-3.3)	-2.1 (-2.1)
Non-Manufacturing	27.2 (17.6)	-7.1 (-5.2)	-3.2 (-0.1)

Note: Actual 1984 and revised intentions 1985.

For comparison purposes, figures for Canada are provided in brackets.

TABLE 48

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

ALBERTA

	Year-to-Year Per Cent Change		Between-Survey Revisions			
	1985/1984		1984	(%)	1985	
Foreign Majority-Owned						
Manufacturing	14.2	(41.3)	-9.0	(-5.5)	-14.3	(-0.8)
Non-Manufacturing	48.5	(30.7)	-10.0	(-7.5)	-0.5	(1.2)
TOTAL	46.6	(34.3)	-9.9	(-6.8)	-1.2	(0.4)
Domestic Majority-Owned						
Manufacturing	8.2	(39.6)	-8.1	(-1.7)	56.0	(-4.1)
Non-Manufacturing	4.3	(7.3)	-7.6	(-6.7)	-3.3	(-1.0)
TOTAL	4.4	(11.7)	-7.6	(-6.0)	-2.1	(-1.5)

Note: Actual 1984 and revised intentions 1985.

For comparison purposes, figures for Canada are provided in brackets.

TABLE 49

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

ALBERTA

	Year-to-Year Per Cent Change		Between-Survey Revisions			
	1985/1984		1984	(%)	1985	
Total Government Majority-Owned	18.6	(6.9)	-13.2	(-9.4)	-14.2	(-1.0)
Total Private Majority-Owned	24.7	(24.6)	-7.9	(-4.7)	0.7	(-0.8)
Manufacturing	11.9	(42.2)	-8.7	(-3.3)	2.8	(-2.1)
Non-Manufacturing	25.4	(17.6)	-7.9	(-5.2)	0.6	(-0.1)

Note: Actual 1984 and revised intentions 1985.

For comparison purposes, figures for Canada are provided in brackets.

TABLE 50

EXPECTATIONS FOR 1985 AND 1986 BY COMPANIES WITH HEADQUARTERS IN THE PRAIRIE REGION*

(Per Cent Distribution of Total Responses)

	1985/1984			1986/1985		
	UP/ BETTER	NO CHANGE	DOWN/ WORSE	UP/ BETTER	NO CHANGE	DOWN/ WORSE
Canadian Sales	47.6 (63.4)	30.9 (22.9)	21.4 (13.6)	51.2 (67.0)	46.1 (27.2)	2.5 (5.6)
Export Sales	30.0 (48.9)	50.0 (31.1)	20.0 (19.8)	40.0 (51.9)	48.0 (38.1)	12.0 (9.9)
Profits	51.1 (60.5)	23.2 (17.3)	25.5 (22.0)	70.0 (73.0)	27.5 (20.8)	2.5 (6.0)
Corporate Employment in Canada	26.6 (21.9)	48.8 (51.8)	24.4 (26.1)	30.0 (24.0)	67.5 (62.2)	2.5 (13.7)
Corporate Financial Conditions	40.9 (50.6)	45.4 (38.2)	13.6 (11.0)	55.0 (50.2)	40.0 (45.4)	5.0 (4.3)
Canadian Business Conditions	46.5 (53.2)	48.8 (41.9)	4.6 (4.8)	46.1 (49.0)	53.8 (47.2)	0.0 (3.6)
Foreign Investment Climate	32.1 (31.8)	60.7 (64.3)	7.1 (3.7)	28.0 (29.6)	68.0 (65.6)	4.0 (4.6)

Note: For comparison purposes, figures for Canada are provided in brackets.

* There are 53 firms in the survey panel with headquarters in the Prairie region.

EXPECTATIONS FOR 1985 AND 1986 BY COMPANIES WITH HEADQUARTERS IN ALBERTA*

(Per Cent Distribution of Total Responses)

	1985/1984			1986/1985		
	UP/ BETTER	NO CHANGE	DOWN/ WORSE	UP/ BETTER	NO CHANGE	DOWN/ WORSE
Canadian Sales	45.1 (63.4)	35.4 (22.9)	19.3 (13.6)	57.1 (67.0)	42.8 (27.2)	0.0 (5.6)
Export Sales	28.5 (48.9)	57.1 (31.1)	14.2 (19.8)	43.7 (51.9)	50.0 (38.1)	6.2 (9.9)
Profits	58.0 (60.5)	29.0 (17.3)	12.9 (22.0)	71.4 (73.0)	25.0 (20.8)	3.5 (6.0)
Corporate Employment in Canada	33.3 (21.9)	42.4 (51.8)	24.2 (26.1)	35.7 (24.0)	60.7 (62.2)	3.5 (13.7)
Corporate Financial Conditions	46.8 (50.6)	46.8 (38.2)	6.2 (11.0)	57.1 (50.2)	35.7 (45.4)	7.1 (4.3)
Canadian Business Conditions	51.6 (53.2)	45.1 (41.9)	3.2 (4.8)	55.5 (49.0)	44.4 (47.2)	0.0 (3.6)
Foreign Investment Climate	30.4 (31.8)	60.8 (64.3)	8.6 (3.7)	25.0 (29.6)	70.0 (65.6)	5.0 (4.6)

Note: For comparison purposes, figures for Canada are provided in brackets.

* There are 35 firms in the survey panel with headquarters in Alberta.

TABLE 51

CAPITAL EXPENDITURES OF SELECTED LARGE COMPANIES - 1984-1985

B.C. AND NORTHERN REGION

(Current $ Millions)

	1984		1985		Year-to-Year Per Cent Change 1985/1984		Between-Survey Revisions 1984 (%)		1985	
Manufacturing	549	(4 704)	636	(6 613)	15.7	(40.5)	-4.6	(-3.8)	-18.6	(-2.3)
Non-Manufacturing	2 363	(18 788)	2 157	(21 322)	-8.8	(13.4)	-5.9	(-6.9)	-3.7	(-0.4)
TOTAL	2 912	(23 492)	2 793	(27 935)	-4.1	(18.9)	-5.6	(-6.3)	-7.6	(-0.8)

Note: Actual 1984 and revised intentions 1985.

These are dollar amounts reported for the years 1984-1985 from the April 1985 survey by firms which reported in both the October 1984 and April 1985 surveys.

For comparison purposes, figures for Canada are provided in brackets.

TABLE 52

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

B.C. AND NORTHERN REGION

	Year-to-Year Per Cent Change		Between-Survey Revisions			
	1985/1984		1984	(%)	1985	
Foreign Majority-Owned						
Manufacturing	37.8	(41.3)	-7.1	(-5.5)	-16.0	(0.8)
Non-Manufacturing	-3.9	(30.7)	-3.3	(-7.5)	-5.2	(1.2)
TOTAL	1.3	(34.3)	-3.8	(-6.8)	-7.3	(0.4)
Domestic Majority-Owned						
Manufacturing	8.9	(39.6)	-3.8	(-1.7)	-19.6	(-4.1)
Non-Manufacturing	-11.8	(7.3)	-7.4	(-6.7)	-2.7	(-1.0)
TOTAL	-7.1	(11.7)	-6.6	(-6.0)	-7.8	(-1.5)

Note: Actual 1984 and revised intentions 1985.

For comparison purposes, figures for Canada are provided in brackets.

TABLE 53

CAPITAL INVESTMENT COMPARISONS OF SELECTED LARGE COMPANIES

B.C. AND NORTHERN REGION

	Year-to-Year Per Cent Change	Between-Survey Revisions	
	1985/1984	1984 (%)	1985
Total Government Majority-Owned	-28.1 (6.9)	-7.8 (-9.4)	-3.1 (-1.0)
Total Private Majority-Owned	5.1 (24.6)	-4.8 (-4.7)	-8.7 (-0.8)
Manufacturing	15.7 (42.2)	-4.6 (-3.3)	-18.6 (-2.1)
Non-Manufacturing	1.3 (17.6)	-4.8 (-5.2)	-4.0 (-0.1)

Note: Actual 1984 and revised intentions 1985.

For comparison purposes, figures for Canada are provided in brackets.

TABLE 54

EXPECTATIONS FOR 1984 AND 1985
BY COMPANIES WITH HEADQUARTERS IN THE B.C. AND NORTHERN REGION*

(Per Cent Distribution of Total Responses)

	1985/1984			1986/1985		
	UP/ BETTER	NO CHANGE	DOWN/ WORSE	UP/ BETTER	NO CHANGE	DOWN/ WORSE
Canadian Sales	69.5 (63.4)	21.7 (22.9)	8.6 (13.6)	65.2 (67.0)	30.4 (27.2)	4.3 (5.6)
Export Sales	60.8 (48.9)	21.7 (31.1)	17.3 (19.8)	65.2 (51.9)	34.7 (38.1)	0.0 (9.9)
Profits	52.0 (60.5)	16.0 (17.3)	32.0 (22.0)	76.0 (73.0)	24.0 (20.8)	0.0 (6.0)
Corporate Employment in Canada	11.5 (21.9)	61.5 (51.8)	26.9 (26.1)	19.2 (24.0)	61.5 (62.2)	19.2 (13.7)
Corporate Financial Conditions	52.0 (50.6)	36.0 (38.2)	12.0 (11.0)	56.0 (50.2)	44.0 (45.4)	0.0 (4.3)
Canadian Business Conditions	52.0 (53.2)	48.0 (41.9)	0.0 (4.8)	64.0 (49.0)	36.0 (47.2)	0.0 (3.6)
Foreign Investment Climate	25.0 (31.8)	75.0 (64.3)	0.0 (3.7)	25.0 (29.6)	75.0 (65.6)	0.0 (4.6)

Note: For comparison purposes, figures for Canada are provided in brackets.

* There are 32 firms in the survey panel with headquarters in the B.C. and Northern region.

APPENDIX

- APPENDIX -

Survey of Business Capital Investment -

Nature and Coverage of the Data

1) All of the tables containing regional data incorporate "matched" company data to avoid variation in the number of firms reporting in each year and in different surveys. Matching allows for consistent comparisons, since only the data for those companies which have reported in the last two surveys for specified years, e.g. 1984 and 1985 are used. This is referred to as a two survey-two year matched panel.

The above system of matching is applied separately for each of the investment categories specified in the regional tables. Hence, the regional totals obtained from a matched sample will not necessarily add to the matched Canada total.

2) The problem of companies in the survey not reporting their regional distribution of expenditures is minimal. The following table provides a reconciliation between the total dollar amounts reported on Table 1 and the total amounts distributed by region.

	1984	1985
	(Current $ Billions)	
Totals as Per Table 1	23.49	27.94
Amounts Reported by Region		
Atlantic	2.04	2.04
Quebec	3.86	4.37
Ontario	6.45	8.31
Prairies	7.01	8.91
B.C. & Northern Region	2.91	2.79
Unallocated Region*	0.45	0.17
Total	22.72	26.59
Difference between totals	0.77	1.35
Portion of difference explained by "matching"	0.40	0.61
Portion of difference explained by non-response	0.37	0.74

Note: Actual 1984, and revised intentions 1985.

* Includes investment which was not specifically allocated to a particular region because it had not been determined in which province or region it would take place; and expenditures on movable machinery and equipment which were not allocated to a specific region, i.e. rail rolling stock, ships, etc.

3) The fact that companies reported on a corporate rather than an establishment basis would definitely affect the sectoral breakdown of both the regional and Canada distribution, i.e. whether outlays were categorized under manufacturing, resource industries, etc. Therefore, the DRIE sectoral coverage cannot be satisfactorily reconciled with Statistics Canada's Private and Public Investment in Canada Survey (PPI) as investment data collected on a corporate basis are allocated to the various industrial sectors according to the company's main line of business. Nevertheless, it is believed that the companies surveyed account for a significant proportion of total business investment spending in Canada as reported by Statistics Canada.

4) The following table provides a breakdown of the number of companies reporting matched investment statistics to the DRIE survey, by manufacturing or non-manufacturing sector, and by region of investment. Since the companies in the survey panel are the larger ones, they tend to have investments in more than one region and as such the figures for Canada are not the sum of the regions.

	Atlantic	Quebec	Ontario	Prairies	British Columbia and Northern	CANADA
Mfg.	34	88	112	65	53	152
Non-Mfg.	45	47	66	82	65	126
TOTAL	79	135	178	147	118	278